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University of Texas Bulletin
No. 2236: September 22, 1922

A Mill Tax for the Support of Higher Educational Institutions in Texas

The Interscholastic League Division
Bureau of Extension

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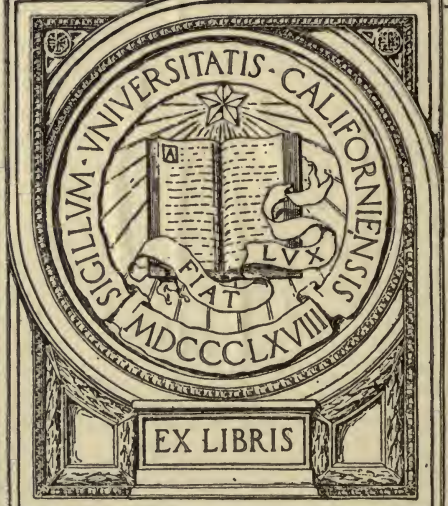
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A Mill Tax for the Support of Higher Educational Institutions in Texas

The Interscholastic League Division
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PUBLISHED BY THE UNIVERSITY FOUR TIMES A MONTH, AND ENTERED AS SECOND-CLASS MATTER AT THE POSTOFFICE AT AUSTIN, TEXAS, UNDER THE ACT OF AUGUST 24, 1912

UNIV. OF CALIFORNIA

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The benefits of education and of useful knowledge, generally diffused through a community, are essential to the preservation of a free government.

Sam Houston

Cultivated mind is the guardian genius of democracy. . . . It is the only dictator that freemen acknowledge and the only security that freemen desire.

Mirabeau B. Lamar

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STATE OF TEXAS

PREFACE

This bulletin has been prepared primarily for use in connection with the debates among the schools belonging to the University Interscholastic League. However, since it deals with a subject of vital interest and importance to the people of Texas at this time, it is hoped that it will be widely used by debating societies, civic organizations, and individual citizens.

It should be noted that the question for debate is not the support of our higher institutions of learning. All good citizens who are informed on the subject favor the maintenance of these units in our state educational system. The question for discussion is, the method and degree of such support. . Arguments on both sides of this issue will be found throughout this bulletin, oftentimes in a single article. It was therefore impracticable to separate into distinct groups the arguments *pro* and *con*. The bulletin was prepared by Edwin DuBois Shurter, Professor of Public Speaking, and R. C. Coffee, A.B., LL.B.

Each school belonging to the Interscholastic League is entitled to two free copies of this bulletin, but these will be sent only upon application. For additional copies and to non-residents of Texas a charge of 15 cents a copy is made. Address Interscholastic League, University Station, Austin, Texas.

In collating material for this bulletin grateful acknowledgment is made of the assistance rendered by Miss Octavia Rogan, State Legislative Librarian, who through questionnaires obtained a large part of the material bearing upon the method of supporting higher educational institutions in other states. The editors also desire to acknowledge their indebtedness to Mr. H. J. L. Stark of Orange, Chairman of the University Board of Regents, for his co-operation in the work of assembling material.

The University Interscholastic League.

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INTRODUCTION

The subject for debate in the University Interscholastic League for 1922-23 is: *"Resolved, that an amendment to the Texas State Constitution should be adopted providing for a three-mill tax for the support of the State's higher educational institutions; and that supplementary appropriations by the Legislature should be prohibited."* By a "mill tax" is meant a tax of three mills on every dollar of assessed property in the state, or thirty cents on every one hundred dollars. By "constitutional tax" is meant an amendment to the state constitution by a vote of the people fixing such a tax, as opposed to a statutory tax which might be adopted by legislative enactment. The term "state institutions of higher education" includes the University of Texas comprising the Main University at Austin, the Medical School at Galveston and the School of Mines at El Paso, the Agricultural and Mechanical College, the College of Industrial Arts, the Grubbs Vocational College, the John B. Tarleton Agricultural College, the seven state normals for white teachers comprising the North Texas State Normal, the Southwest Texas Normal School, the West Texas Normal School, the Sam Houston Normal School, the East Texas Normal College, the Sul Ross Normal College and the Stephen F. Austin Normal School, and the Prairie View Normal for Negroes.

Under the present system of support each institution must submit to the State Board of Control, not later than the fifteenth day of September of each year preceding the regular biennial session of the Legislature, an itemized statement of all expenditures for the preceding two years, together with an estimate of the appropriations required for the succeeding biennium, itemized in such form as may be practicable and as said Board of Control may require. The Board, upon receipt of these estimates, is required carefully to consider and investigate each item contained therein, obtaining information from every available source, and

after holding hearings thereon, must make up an appropriation budget for the approaching Legislature. The Legislature then makes appropriations for the two years next succeeding. It may alter, change, or vary the proposed budget in any manner it deems proper. A school may request a certain amount or sum for a particular department, and the Board of Control may recommend another, or the same amount for that department, while the Legislature may appropriate an amount entirely different from the recommendations of either. In addition to the biennial appropriations, the University receives about $200,000 each year from its permanent endowment fund established through grants of land by the founders of the state. The Agricultural and Mechanical College received from the United States Government in 1919-20, according to the latest available statistics issued by the United States Bureau of Education, $340,124.

Nineteen states have a fixed tax for the support of their institutions of higher education. Some of these states provide for the tax in their state constitutions while in others the tax is by legislative enactment. In practically all states having a special tax, the revenue derived therefrom is supplemented by special appropriations by the Legislature. The tax varies from a small fraction of a mill in some states to more than three mills in others. In some states the tax is applied to the support of only the state university, while in others it applies to all the higher schools, including the state normals. A few states provide a mill tax for building purposes only. In most states the Legislature appropriates from the general revenue a sum which is considered necessary for the needs of the higher institutions. In several states these institutions have large endowments, and a few, including Texas, California, and Michigan, have a permanent land endowment which supplements the annual income.

Dissatisfaction with the existing status of financial support for our state institutions of higher education has long been felt by leading educators and statesmen. This has been due in part to the inadequacy of the legislative appro-

priations, and in part to the feeling that this method of support is harmful in other ways which could be remedied by a change in method. Some have proposed a constitutional amendment, fixing a definite tax for the special schools; some have favored instead a legislative measure establishing the tax, or as still others have proposed, setting aside a certain per cent of the total state revenue for the higher schools; while yet another remedy advanced has been the idea of a permanent fund created by the issuance of bonds.

THE ARGUMENT PRO AND CON

The Issues Involved

It should be borne in mind that the question to be debated is simply a question of the best method of providing the necessary support commensurate with the interests and welfare of the state. The affirmative will assume and the negative will readily admit, that Texas is below even the average of states of equal population and wealth, in the matter of financal support given her state schools. The issues involved, therefore, are: (1) Will the proposed plan provide more liberal support than the present method? (2) Are there other evils connected with the present method which the proposed plan would remedy? (3) Is the proposed plan better than any other that could be advanced? (4) Does the experience of other states justify the adoption of the proposed plan?

The Case for the Affirmative

In proposing a constitutional tax of three mills for the support of our state institutions of higher learning, the affirmative maintains:

1. (a) That under the existing plan of biennial appropriations all of the state's higher schools are suffering from lack of sufficient funds to meet their growing needs. The buildings, the equipment, and the teaching force of the schools are inadequate and insufficient to meet the demands of the student bodies. Dormitory and housing facilities are unprovided; shack and temporary wooden structures supply the necessary classroom space; the services of the best teachers and professors are hard to secure and retain on account of the lowness and uncertainty of salary and position. Consequently Texas ranks far below states her equal in wealth and population in providing for her higher schools, and as a result many Texas students go outside

of the state and spend thousands of dollars annually in other educational institutions.

(b) The governing boards cannot formulate definite policies for their respective schools covering a number of years. They never know from one Legislature to the next how much will be appropriated. One Legislature and a Governor may follow a policy whereby certain provisions are made for carrying on the schools, and they may make fairly liberal appropriations; while the next Legislature and Governor may occupy a different attitude toward the schools and hence abolish the provisions of the previous Legislature or institute new or different provisions for carrying on the schools and make less liberal appropriations. Thus the process continues from time to time. Any successful business enterprise must have clearly defined policies and plans for future operation in order to be efficient and economical in executing its purposes; likewise, these same principles apply to these public enterprises, and definite policies are just as essential to their success and efficient and economical operation. The haphazard and uncertain plans and policies that go hand in hand with legislative appropriations will be eliminated through the mill tax.

(c) The schools are subject to undue political influence. The heads of the institutions must spend most of their time during each legislative session at the State Capitol in order to present the needs and claims of their schools to the Legislature. They must place themselves upon a common level with every lobbyist, who comes for a selfish purpose, in pleading for the educational facilities for the boys and girls of the state. Such a policy must carry with it all the wire pulling, log-rolling and swapping of votes that is known to exist in legislative action. A Governor, or any member or set of members of the Legislature, who may be or who may become personal or political enemies of the heads of a school or its faculty, can under the present plan injure or seek to destroy that school in order to give vent to their political antagonism. The action of the Thirty-seventh

Legislature in adopting the "Pope Amendment" to the appropriation bills for the educational institutions shows clearly the tendency by the Legislature to usurp the power and authority of the governing boards and regulate the institutions in the most minute details. In frequent political controversies these schools are made the tools of politics. The affirmative contends that such is not consistent with the steady growth and development of such institutions; that the present plan inevitably draws these institutions into the political arena to become the football of politics, and that the mill tax will avoid such detrimental political influences.

(d) Jealousies and hurtful rivalries among the different institutions result from the biennial scramble. The heads of the schools go in to get all they can for their particular school, and each readily feels the discrimination and difference in treatment that may be received at the hands of the Legislature. One school frequently contends that a certain function and sphere of activity belongs to it, while another asserts that such function belongs to it and that it should receive the appropriation for such work. Hence each school becomes a rival of the other in the scramble for appropriations. Such condition prevents the co-operation and correlation of the work of the different schools into a unified system.

The student may find material for the further development of the arguments above outlined from the reports of the Boards of Regents, the reports and investigations of the Legislature, a part of which is contained herein, and from the articles by the various Texas citizens and other excerpts printed herein.

2. (a) That a constitutional tax of three mills will render adequate financial aid. It would produce a revenue of $10,366,080.26 as based upon the assessed valuation of 1921 of $3,455,360,089. This revenue would furnish about two million dollars more than the state schools of higher learning requested for 1921-1922, and about five and a half million more than the Legislature appropriated

for 1921-1922. Hence the proposed tax would be very liberal and would enable the schools to supply the present need for buildings and equipment and to form a definite policy for future maintenance.

(b) It will provide an automatic means of definite and increasing support to meet the increasing demands of the schools from year to year. The table of assessed valuations contained herein shows that the average increased valuation is about $100,000,000 annually. This increased valuation would increase the mill tax revenue for the schools about $300,000 per year. Hence as the enrollment increases from year to year, the revenue would likewise increase with the wealth of the state to meet such demands.

(c) It will remove the schools from politics. It relieves them from their biennial appeal to the Legislature and the consequent political controversies and influences resulting therefrom.

(d) It will place them upon a dignified basis of independence that will remove existing causes of hurtful rivalry. The revenue is both known and fixed for years in advance, and they are no longer struggling competitors to be fed according to the humor and whims of different law-making bodies. Upon such basis they are left free to co-operate in the correlation and unification of our educational system, and to inaugurate more permanent policies.

3. The affirmative further maintains that a tax of three mills, the revenue therefrom growing with the growth of the state, will be adequate for the support of our institutions of higher learning; that it should be a constitutional provision, and not subject to change and repeal through legislative action; and that by the exercise of due foresight unforseen contingencies or losses in the administration of the school's funds can be provided against. Texas has a vast expanse of territory, a large amount of undeveloped resources; and is fast becoming the wealthiest state in the Union. The state valuation of property is more than three times as great today, as the valuation of twenty years ago. Hence the affirmative maintains, that, since a three mill tax

is very liberal at the outset, a sufficient income will be produced from the continuous growth in wealth of the state to supply the needs of higher education for all time to come; that the need for supplementary appropriations will not exist and should therefore be prohibited. Such prohibition will place the schools on notice that they must make provisions from this income for any unforeseen contingencies and economic fluctuations; and that such a policy would establish a more economic and business like management of the schools.

The constitutional provision would prevent one Legislature from destroying the work of another, and the haphazard and unbusinesslike management that must prevail under legislative appropriations and supervisions.

4. The experience of other states shows that a mill tax sufficiently liberal is the best method for the support of higher education. It is advocated and supported by the most able authorities. The student will find ample material herein showing the results of the mill tax in other states, and the authorities supporting such a tax.

The Case for the Negative

The negative will readily admit the need of more liberal financial support for the state's higher educational institutions. It may also be admitted that, under existing conditions, these schools are sometimes subjected to unnecessary and hurtful rivalries and political influences. However, among other and better plans for meeting the situation than that proposed by the affirmative are:

(1) Remove by constitutional amendment the present prohibition upon the Legislature of levying taxes or making appropriations for the erection of buildings for the State University, and enact a statutory law levying a special tax for the support of all the schools for higher education.

(2) Adopt a constitutional tax of two or two and a half mills, say, and leave the Legislature free to make supplementary appropriations.

(3) Adopt a constitutional amendment that will permit the issuing of bonds for the creation of a permanent fund for the different institutions, such fund to be supplemented by biennial legislative appropriations.

(4) Establish a severence tax on certain natural products as oil, gas, sulphur, lumber, etc., similar to that adopted by the state of Louisiana as set forth in a subsequent part of this pamphlet.

In weighing the advantages of any one or all of these measures over the one advanced by the affirmative, let us consider the objections to the affirmative proposition. First and fundamentally it is too rigid. It does not admit of a possible contingency when the schools would have need of additional assistance which they could not obtain on account of the prohibition of appropriations by the Legislature. Such a contingency might be due to a fire, a shrinking in taxable value, on account of crop failure, financial panic, a change in the method of valuation, or an unlooked-for increase in attendance at the different schools. Furthermore, Texas has established in the last six or eight years five new institutions of higher education comprising the East Texas Normal College, Sul Ross Normal College, Stephen F. Austin Normal, Grubbs Vocational College, and John Tarleton Agricultural College and a mill tax that would have been liberal and adequate a few years ago, would be absolutely inadequate to meet the needs of today. Hence it is reasonable to suppose that, with the continued growth and development of the present institutions, with West Texas now demanding an A. and M. College, and with the need for other institutions that may arise in the future, the proposed plan would be wholly inadequate within a few years. It has been found expedient to increase the tax rate for general revenues from time to time; then why might it not be necessary to do the same for the tax rate for higher education? The negative contends that it would be unwise to tie ourselves down to the hard and fast plan proposed by the affirmative.

The experience of other states does not argue either the

necessity for or the advisability of so rigid a measure. The recent experience of Oregon, Montana and Arizona shows clearly the inadvisability of such a measure. The increased valuation has not kept pace with the growth and development of the schools. They must conform to the economic fluctuations under the proposed plan. This rigidity could not be easily removed by constitutional amendment, for experience shows that, no matter how obviously desirable a constitutional change may be, it is next to impossible to get the people to adopt it, especially if it would make possible an increase in the expenses of government.

This absolute removal of the schools from financial dependence upon the Legislature is also undemocratic, and might easily lead to extravagance and to the growth of aristocratic or ultra-conservative tendencies in the schools. The legislators are elected directly by the people and are highly susceptible to the interests of the public. The budget system and legislative control thereby furnishes those checks and balances essential to the growth and development of thoroughly democratic institutions. State supported institutions should be highly responsive to the public needs. In a representative or democratic form of government the duly elected representatives of the people must be the sole judge of those needs. The boards of regents for the different institutions, who are appointed by the Governor, are usually men that are very busy in private affairs. They have little time to devote to the institutions, and consequently they know very little about the real inner-workings and nature of those institutions. They almost invariably do and act as the head of their institutions advises and directs. Hence under the affirmative's plan the schools would take from the people of the state their taxes for support and at the same time they would be practically the sole judge as to how they would spend the people's money and the nature and kind of service they would render to them. While it is admitted that they should not be entirely dependent upon any particular legislature for support, yet to remove them alto-

gether from any dependence upon the body which represents the people, would be equally as bad. A middle ground is the best, such as would obtain under either of the plans proposed by the negative.

The plan of issuing bonds for the creation of a permanent fund for the different institutions, such fund to be supplemented by the biennial appropriations, might be advanced as an alternative measure. This plan has from time to time received the attention and support of educators and members of the Legislature and of the governing boards of the different institutions. A strong point in favor of bond issues is that this would distribute the cost of education more equitably, since a larger share of such cost would fall upon succeeding generations who will reap the benefits of educating the present generations. If cities and counties may issue bonds for school purposes, why not the Legislature, representing the whole state, issue bonds for the support of the special state schools? Is not one as democratic, as just, and as desirable as the other? The chief point against such a proposition is the people's inherent prejudice against the issuance of bonds. But the people are also strongly opposed to any increase in the tax rate, and the constitutional amendment proposed by the affirmative would probably be as difficult to pass as would an amendment authorizing and instructing the Legislature to issue bonds for the creation of a permanent fund for the purpose under consideration.

Either of the plans suggested by the negative would render adequate financial aid without leading to extravagance; would be sufficiently automatic and definite to enable the school authorities to pursue consistent plans through a period of years; would remove the schools from politics so far as that is desirable; would lessen materially the strife and jealousies among the different institutions caused by the evils which must be expected from the rigid and undemocratic plan of the affirmative.

Affirmative Rebuttal

1. The affirmative will need to be prepared to point out

the defects of any plan the negative may offer. Usually it may be urged against the plans of the negative that they fail to solve the problems of higher education. They will either provide inadequate revenue or subject the schools to the same harmful political influences that exist under the present plan, and usually both of these objections may be urged. Hence no material improvement is obtained over the present system. In reference to the four plans previously stated the affirmative may urge that the negative have agreed with them insofar as their plans furnish a certain and definite income; but the affirmative will contend further that their plans do not go far enough to provide a sufficient income that is definite and permanent; that if supplemental appropriations are permitted or if their plan is subject to change and repeal by any and every Legislature, the same political interference and haphazard methods will continue to exist and no efficient business policy can be established and continued.

2. The affirmative in defense of their plan will urge that the negative's objection to its rigidity is based upon the assumption that the income will be insufficient to meet each and every need as it arises, and that in the course of a few years it will be entirely inadequate; but the affirmative contends, that this assumption does not arise in reference to their plan, that a three-mill tax provides a very liberal income sufficient to provide at once the needed buildings and equipment, that the income continues to increase with the development and increase in wealth of the state and will be sufficient to meet the growing needs of higher education in the future. Then, since the income is sufficient and supplemental appropriations are not needed, the same should be prohibited. Such a plan will force the schools to adopt a business policy to meet any contingency that might arise, and it would prevent the schools from going to the Legislature, and seeking supplemental appropriations that would result in extravagant expenditures.

3. The affirmative may further contend that the people will have sufficient control through the Governor, and the

Board of Regents, to make the schools responsive to the public needs and at the same time keep in check any extravagant, undemocratic and ultra-conservative tendencies. It may be granted that in the absence of the legislative control and check on the schools through legislative appropriations under the present system the people would not have sufficient control to make the schools responsive to their needs and welfare; but the affirmative will contend that proper control and check by other methods, can be obtained that will be better than the popular control and check secured through legislative appropriations which inherently carries with it certain evils previously pointed out by the affirmative. The Board of Regents or governing boards could be made responsible directly to the people, or an educational council as suggested by the Central Investigating Committee of the Thirty-fifth Legislature could be established in order to give the people proper and sufficient control and check on the schools under the proposed mill tax. Other and sufficient data may be found in the subsequent pages to further sustain the arguments of the affirmative.

The foregoing outlined arguments for the affirmative and negative are intended to be suggestive only; and the students are expected to organize and develop the arguments for themselves. The student will need to be more specific and concrete and to develop more fully the arguments as suggested in the outline. Material for other and new arguments may be gathered from the subsequent articles contained herein.

BUDGET FOR THE STATE HIGHER SCHOOLS FOR THE YEARS 1921–22; 1922–23

Name of School	Requested for Years Ending		Recommended by Board of Control Years Ending		Appropriated by Legislature Years Ending	
	Aug. 31, 1922	Aug. 31, 1923	Aug. 31, 1922	Aug. 31, 1923	Aug. 31, 1922	Aug. 31, 1923
University of Texas....	$1,663,357.00	$1,663,357.00	$1,173,935.00	$1,173,935.00	*$1,395,461.00	*$1,395,461.00
A. and M. College.....	1,741,540.00	1,701,450.00	845,584.00	1,089,480.00	772,321.00	739,910.00
Prairie View Normal...	471,450.00	372,650.00	188,410.00	234,010.00	178,404.00	176,204.00
J. Tarlton Agri. College	583,403.00	515,759.00	296,280.00	222,780.00	155,020.00	146,420.00
Grubbs Vocational College	394,767.00	334,550.50	141,355.00	242,310.00	114,495.00	114,600.00
College of Industrial Arts	819,650.00	739,650.00	336,510.00	493,510.00	313,440.00	292,940.00
Sam Houston Normal...	444,035.00	353,715.00	394,390.00	184,130.00	202,000.00	192,290.00
North Texas State Normal	549,190.00	1,000,714.00	440,825.00	230,175.00	244,330.00	231,330.00
Southwest Texas Normal	402,493.00	424,678.00	344,525.00	255,670.00	186,365.00	192,600.00
West Texas Normal....	391,780.00	338,300.00	188,815.00	245,250.00	204,240.00	177,025.00
East Texas Normal.....	235,400.00	534,615.00	306,445.00	161,330.00	173,845.00	171,950.00
Sul Ross Normal College	313,650.00	111,910.00	205,240.00	74,890.00	85,690.00	79,940.00
Stephen F. Austin N. C.	.....	.....	.....	.....	† 195,250.00	†99,695.00
TOTALS.....	$7,820,725.00	$8,091,429.50	$4,807,314.00	$4,597,421.00	$4,220,861.00	$4,095,265.00

*The legislature set aside the available fund for building purposes and it became necessary to increase the appropriation for maintenance.

†Vetoed by the governor, except $175,000 for the years 1921-22.

TEXAS TAX RATE AND THE TOTAL VALUE OF THE PROPERTY ASSESSED EACH YEAR FOR THE YEARS 1884 TO 1921, INCLUSIVE

TAKEN FROM THE REPORT OF COMPTROLLER

Year	Rate of Tax		Total Valuation
	Revenue	School	
1884	$0.17½	$0.12½	$ 603,060,917
1885	.25	.12½	621,011,989
1886	.25	.12½	630,591,029
1887	.25	.12½	650,412,401
1888	.10	.12½	681,084,904
1889	.20	.12½	729,175,564
1890	.20	.12½	782,111,883
1891	.16⅔	.12½	856,202,283
1892	.15	.12½	856,526,600
1893	.15	.12½	886,175,395
1894	.15	.12½	865,120,898
1895	.25	.20	860,910,567
1896	.20	.18	850,309,246
1897	.20	.18	854,894,775
1898	.20	.18	854,619,365
1899	.20	.18	922,927,231
1900	.16⅔	.18	946,320,258
1901	.16⅔	.18	982,187,865
1902	.16⅔	.18	1,017,571,732
1903	.16⅔	.18	1,064,948,033
1904	.16⅔	.18	1,082,779,775
1905	.20	.18	1,139,022,730
1906	.20	.18	1,221,159,869
1907	.12½	.20	1,635,297,115
1908	.06¼	.16⅔	2,174,122,480
1909	.05	.16½	2,309,803,626
1910	.04	.16⅔	2,388,500,124
1911	.12½	.16⅔	2,515,632,745
1912	.10	.16⅔	2,532,710,050
1913	.23	.17	2,680,907,991
1914	.12½	.20	2,743,078,976
1915	.30	.20	2,755,171,793
1916	.20	.20	2,748,310,775
1917	.35	.20	2,871,744,269
1918	.30	.20	3,012,819,287
1919	.35	.35	3,200,295,205

1920	.22	.35	3,390,953,149
1921	.22	.35	3,455,360,089

ANNUAL ENROLLMENT AT THE UNIVERSITY OF TEXAS FROM 1883 TO 1921

1883-1884	221	1903-1904	1,294
1884-1885	209	1904-1905	1,414
1885-1886	199	1905-1906	1,907
1886-1887	245	1906-1907	2,141
1887-1888	250	1907-1908	2,321
1888-1889	278	1908-1909	2,425
1889-1890	309	1909-1910	2,522
1890-1891	283	1910-1911	2,712
1891-1892	388	1911-1912	2,872
1892-1893	353	1912-1913	3,323
1893-1894	482	1913-1914	3,499
1894-1895	630	1914-1915	3,899
1895-1896	730	1915-1916	4,215
1896-1897	751	1916-1917	4,624
1897-1898	800	1917-1918	4,045
1901-1902	1,240	1920-1921	6,988
1902-1903	1,281	1918-1919	5,060
1898-1899	986	1919-1920	6,445
1899-1900	983		
1900-1901	1,094	Total	73,318

COLLEGE ENROLLMENT IN TEXAS

J. A. Hill, President West Texas State Normal

Name of College	1910-1911	1920-1921
University of Texas	2,712	6,988
A .and M. College (excluding Summer School)	1,082	1,848
College of Industrial Arts	340	2,016
Sam Houston Normal Institute	1,073	2,101
North Texas State Normal College	1,261	3,349
Southwest Texas State Normal College (excluding Summer School)	506	712
West Texas State Normal College	612	2,179
East Texas State Normal College	...	1,858
Sul Ross State Normal College	...	417
Prairie View State Normal College	766	820
John Tarleton College	...	740
Grubbs Vocational College	...	493
Total	8,352	23,521

LEGISLATIVE APPROPRIATIONS FOR SOME OF THE TEXAS STATE SCHOOLS OF HIGHER LEARNING

	1903-04	1922-23
University of Texas.....	$173,006.66	$1,395,461.00
Agricultural and Mechanical College..	139,000.00	739,910.00
College of Industrial Arts.....	53,483.00	292,940.00
Sam Houston Normal School.....	40,100.00	292,940.00
North Texas State Normal.....	80,250.00	231,330.00
Southwest Texas Normal School.....	37,831.00	192,600.00
Prairie View Normal School.....	32,500.00	176,204.00

THE MILL-TAX METHOD OF SUPPORT FOR STATE INSTITUTIONS OF HIGHER EDUCATION IN TEXAS

BY F. M. BRALLEY, PRESIDENT, COLLEGE OF INDUSTRIAL ARTS, DENTON, TEXAS

The mill-tax method of supporting state institutions of higher learning has been tried, and still obtains in several states of the Union. In every case, this plan has proven more satisfactory than has the plan of support by legislative appropriations alone. In other states, the scheme of support is by a mill-tax and supplemental appropriations by the Legislature. In no state has this method proven unsatisfactory. On the other hand the authorities of these state institutions are enthusiastic in their approbation, and emphatically state that such method is far superior and is much to be preferred to the former old method of appropriations alone. The certainty and dependability of the mill-tax method give assurance and continuity to the annual maintenance of higher education; and furthermore, such plan affords an opportunity for planning and realizing sure and ample development of state-supported higher educational institutions.

Among the states in which the mill-tax method is in operation may be mentioned Arizona, Arkansas, Colorado, Illinois, Indiana, Kansas (voted but not levied), Kentucky, Louisiana, Michigan, Minnesota, Montana, Nevada, New York (temporary), Ohio, Oregon, Tennessee, Utah, Washington, Wisconsin, and Wyoming.

The adoption of the mill-tax method of support for the state institutions of higher education of Texas would require an amendment to the state constitution. The rate of such tax, in order to remedy the present situation and guarantee future support and development, should be between two mills, and three and one-half mills. The inadequate support of the Texas state institutions of higher learning, for the current fiscal year, is equivalent, approximately, to a two-mill tax. Since no expansion, increased facilities, or enlargements were provided for the present fiscal year, it is evident that a two-mill tax would not be adequate.

In order to procure the adoption at an election by the people, of an amendment to the state constitution authorizing the mill-tax method of support, it would be necessary to have the united, wholesouled, and harmonious support of all the state institutions of higher education. Such support, in my opinion, would be contingent upon an equitable and satisfactory fixed apportionment among the said institutions of the income to be derived from such tax. Therefore, the rate of the mill-tax to be levied for the state institutions of higher learning and an equitable and fair apportionment of the income from such tax among the several state institutions of higher education, must be plainly set forth in the proposed constitutional amendment. In addition, a definite apportionment in the constitutional amendment would render impossible any misunderstanding among the institutions that might arise if the amendment failed to make such apportionment. On the other hand, such a plan would have the effect of encouraging and maintaining harmony and cooperation among the state supported educational institutions. It seems feasible and expedient to me that the authorities of all the state institutions of higher learning in Texas should unite on such a plan of procedure and, in a spirit of concerted action and a realization of a common purpose, clearly present the necessity and the merits of such a plan to the people of Texas. Such presentation should be made in clear and unequivocal terms and in a manner that would be convincing to the people of Texas.

This unanimous action and hearty co-operation is the only hope for the adoption of the mill tax method, in whole or in part, for the support of our institutions of higher learning. I believe there is a desire and a disposition on the part of all authorities of state institutions of higher learning in Texas to co-operate along broad, constructive lines of educational procedure. In this way, hurtful competition would be practically impossible while initiative, freedom, and alertness, so essential to educational efficiency, will be preserved and guaranteed. There is no such thing as procrustean uniformity and the highest efficiency at one and the same time among educational institutions. Since these institutions are supported by public funds and since there is ample room in Texas for full development of them all, both public and private, their authorities should join hands in a spirit of genuine comradeship, and should labor unitedly for a common aim. Our wish now is to place the College of Industrial Arts upon record as assuming an attitude and spirit of fellowship and hearty sympathy and friendship for all other educational institutions in Texas. Furthermore, we wish to extend to this committee, and all friends of higher education, unreservedly, our entire strength and ability in furthering and perpetuating any movement or measure that may contribute to the promotion and upbuilding of the educational machinery and of society in general in this commonwealth. In presenting such a plan to the people, we can assure you that the alumnae of the College of Industrial Arts, representing nearly 20,000 women residing in all parts of the state, will give their assistance willingly and unreservedly.

HON. A. B. CURTIS, MEMBER OF TEXAS LEGISLATURE,
FORT WORTH, TEXAS

It is my opinion that the best method of distribution of the public funds, whether national, state or local, is to vest the power of such distribution in the same department of government vested with the power and duty to provide for

the levy and collection of such funds. All state revenues must be levied and collected under bills passed by the Legislature, subject to the action of the Governor thereon. The legislators are elected directly by the people and are highly susceptible to the interests of the public. I think it unwise to take away from the Legislature the power to finally pass upon the different appropriations of the moneys which it must provide for, and vest such power in boards of regents or other bodies which are appointed and not elected by direct vote of the people. Each institution and department, under the present law, is expected to prepare its budget and submit the same to the Board of Control; the original budgets with recommendations of the Board of Control are presented to the financial committees of both houses, and the heads of the different institutions and departments may and do advise with said committees as to the proper appropriations to be made. The bills as finally recommended by the committees are subject to public discussion and to the approval of the membership of both houses and to the action of the Governor. This budget system with the checks provided on the action of the heads of the different institutions and departments, as well as the action of the Legislature, is in my opinion superior to any other method which has been called to my attention.

It is but natural that the heads of each institution and department should think that their particular institution or department are of prime importance, and each such head does strive in every honorable manner to secure the appropriation which he thinks proper for his particular department or institution. If our constitution should be amended and the mill-tax imposed and all discretion as to the amount of expenditure should be taken away from the Legislature, it is but natural that each institution would find a method to expend all the taxes collected for its maintenance.

If a mill-tax ought to be imposed for the support of the higher educational institutions the same method should logically be pursued as to each and every institution and department. If such should be done and a separate mill-tax

imposed for the maintenance of each institution and department, some scientific method must first be worked out by which each would have sufficient but not too much appropriation for its maintenance. There could be no provision made in constitutional amendments providing for mill-tax for the increased or decreased amounts that might prove to be necessary for each department or institution as the same might demand larger or smaller appropriations; for if such provision should be made, the power must then be vested in the Legislature or some other body to increase or decrease such appropriations and to provide appropriations for new institutions or departments as the same might become necessary, and such method would be subject to the same objections as are urged against the present method. If the rate of taxation is absolutely fixed by the constitution for each department or institution, the same could not be varied except by constitutional amendment, which is slow and uncertain. If the Legislature is still to be allowed the power to add appropriations out of the general funds to mill-taxes imposed, or to use any portion thereof for any other purpose, no real change has been made.

If it is proposed to levy a lump mill-tax for all the higher educational institutions, the same method should be pursued as to all the departments and all the eleemosynary institutions. If this is the method proposed, power must still be vested in the Legislature or some other body to make distribution of the mill-tax levies to the different institutions and departments. This would result in no material change or improvement of the present method.

It has been charged that our educational institutions are now in politics and that their heads must use political methods to obtain the necessary appropriations.

As stated in the foregoing paragraphs the mill-tax method offers no relief from this objection unless a fixed mill-tax is to be imposed for each institution and department, which could not be done in such a method as to insure proper but not exorbitant appropriations, as the amount of revenues and the demands for each institution and department might

vary, and as the same might vary no relief could be afforded except by the slow and uncertain method of again amending our constitution. In fact under such a method, the institutions would fare well and probably have exorbitant appropriations during prosperous years when large taxes are collected, and would have inadequate support during the hard years when large amounts of taxes remain unpaid.

If the mill-tax method should be carried to its logical conclusion and the amount of taxes allowed by the constitution should be apportioned by constitutional amendment among the different institutions and departments, there would be no way to provide for the additional institutions or departments that it might become necessary to establish except to increase the constitutional limit of taxation and thereby unduly burden the taxpayers. Such increased burdens are the logical result of the mill-tax method of taxation.

There has been considerable complaint to the effect that under the present method our different educational institutions may be allowed varying amounts by the Legislature, and that there is therefore no uniformity in appropriations allowed them. This criticism is largely unwarranted. During the two terms of my experience in the Legislature there have been at least three increases in the salaries allowed in the budgets for the different educational institutions. The last increase was allowed upon the theory that larger salaries were temporarily necessary because of the abnormal and unusual expenses of living. This temporary increase could not have been provided for under the mill-tax method, but was provided for under the present system. At the last session of the Legislature, many of the legislators believed that these temporary increases had served their purpose and that living expenses had about returned to normal and that therefore the budget allowed for the ensuing two years should be upon the same basis as obtained prior to the temporary increases. The result was a long continued fight and a compromise under which the professors in the State University were allowed about $4,500 annual salaries

and the heads of the different normal institutions $4,300 annual salaries, the same being material increases over the amounts allowed prior to the emergency raises. This resulted in a slight decrease of certain salaries from that allowed under said emergency increases, but such decreases were warranted and necessary and proper to prevent the imposition of exorbitant taxation upon the people. The same session of the Legislature by the elimination of unnecessary positions and expenses cut the appropriations for the different state departments for the coming two years in the amount of about $750,000, which cut would have been impossible if the mill-tax method had been in force. As a result of these cuts the same tax rate was levied for 1922 as that for 1921; whereas if such cuts had not been made it would have been necessary to levy a tax to the constitutional limit and an additional indirect tax on gasoline or some other commodity of general use in order to provide the necessary revenue.

In view of the present financial distress of the vast majority of the people I do not think such increases were warranted. If a mill-tax adequate for the period of unusually high prices had been levied no reduction thereof could have been made by the Legislature when normal prices returned. If a mill tax had been levied during the period of normal prices, no provision could have been made for the period of inflated prices.

For years our federal government has endured the ills resulting from dictation from different bureaus as to the amount appropriated for their maintenance. As a result direct and indirect federal taxation has become more and more burdensome until at last there is an effort to enforce a budget system and for Congress to exercise its legal functions in the matter of control of appropriations. If we were to provide for mill taxes for our different institutions, the same would be expended under the direction of their governing boards and we have no assurance that such method would not result in the same extravagant and excessive expenditures as have existed in the different federal

departments and bureaus. The governing bodies of the different state institutions are not elected by the people and are not directly responsible to the public. They are naturally and properly enthusiastic for their particular institutions. They are likely if uncontrolled, to incur expenses which might not appear necessary to a disinterested body representing the public and charged with the duty of apportioning the available revenues. An an allustration of the truth of what I have just said, the bills presented to the last Legislature provided for appropriations for publicity for three of the educational institutions varying from $2500 to $10,000 per annum, when the heads of said institutions were complaining that they did not have sufficient facilities to take care of all the students desiring to attend their institutions. This unnecessary appropriation was cut out by the Legislature. Under the mill tax system such cut would have been impossible.

It has been widely charged that I am an enemy to education. This charge is untrue. I am a patron of the State University and was at one time a public school teacher. I realize that it is imperative that provision be made for our public schools and that it is fit and proper that liberal appropriations be provided for our higher educational institution. However, our public schools are of primary importance and should be first provided for, and thereafter due provision should be made for the higher educational institutions. If we were to provide a mill tax for the higher educational institutions and give them the amounts they might demand, I am fearful that there would not be sufficient remaining available revenues to provide public school facilities for the children who might not be given such advantages by their local communities.

Before we undertake a new and largely untried experiment in the method of distribution of taxes and depart from the method which has been proven efficient by years of experience, we should be sure that the new method offers material advantages. I do not believe that any such advantages would be offered by the mill tax system, therefore I

am satisfied to pursue the course laid down by our fathers and under which we have prospered for all these years.

THE FINANCIAL SUPPORT OF OUR INSTITUTIONS OF HIGHER LEARNING

BY W. B. BIZZELL, PRESIDENT, A. AND M. COLLEGE OF TEXAS

State supported institutions of higher learning in the United States are generally financed in one or more of the following ways:

(1) By direct appropriation of the Legislature.
(2) By a millage tax.
(3) By a combination of these methods.

These methods are supplemented in individual cases by the income from land-grant endowments, private benefactions, and taxes on mineral resources. In the state of Louisiana the latter takes the form of a salvage tax and of natural resources, including timber as well as minerals.

It is almost universally agreed that financial support of institutions of higher learning exclusively by legislative enactment is not satisfactory. The reasons are well known to those who have studied the defects of this plan. It has been found from experience that support exclusively by legislative action is uncertain and often irrational. The frequent changes in the personnel of legislative bodies prevent an adequate understanding on the part of the members of the Legislature of the actual needs of the state supported institutions of higher learning and an intelligent understanding of the problems of financial administration.

As a means of overcoming these difficulties a number of states have provided either by statute or by constitutional amendment for supplementing legislative appropriations through a millage tax. This policy has greatly increased the administrative efficiency in the institutions of higher learning in every state where this policy has been adopted. The states supporting institutions by this method are provided with dependable maintenance which enables the administrative authorities to plan for the development of the

physical plants and expend the facilities of the institutions in an intelligent and carefully considered way.

Existing conditions in Texas seem to justify a radical change in the policy of financing our state supported institutions of higher learning. The increasing cost of government has caused many educators and other public spirited citizens to feel a deep concern about the future support of our educational institutions. This concern is enhanced in view of the fact that the number of students who are seeking admission to our colleges and universities is increasing faster than present facilities for their education. This condition seems to justify a more comprehensive plan for financing our institutions than has yet been provided in any of the several states.

It is suggested, therefore, that a different policy be adopted with reference to financing a development of the physical plants from the policy providing for maintenance and support. This plan contemplates a bond issue for permanent improvements at the several institutions of higher learning and a millage tax to be supplemented, if necessary, by legislative appropriation for maintenance and support.

We are reminded that the local political units have already adopted this policy. Hard surfaced roads, city streets, and public buildings in counties and cities are uniformily financed through bond issues. Why not extend this policy with reference to permanent improvements at our state supported educational institutions? This plan would distribute the cost over a period of years and either relieve the tax burden or enable the Legislature to provide more adequately for the support of the state government.

The objection is raised that it would require a constitutional amendment to authorize the Legislature to provide such a bond issue and that there is little hope that the people would endorse a plan of this kind. I am not at all sure that this argument is valid. If it is valid the same argument would apply to a millage tax, which will also require a constitutional amendment. There is reason to believe that if a constitutional amendment were proposed

providing both for a bond issue for permanent improvement and a millage tax for maintenance and support, it would pass, if the people were thoroughly informed concerning the merits of the proposal. At any rate I am convinced that the benefits that would be derived from such a policy are so great as to justify submitting the proposal to the people for their consideration.

MAINTENANCE OF OUR INSTITUTIONS OF HIGHER LEARNING

BY CLARENCE OUSLEY

As a member of the conference for education in Texas, during several years, and as a member, first of the board of regents of the College of Industrial Arts, and then of the board of regents of the University, covering in the aggregate a period of about fifteen years, I gave devoted study to the subject of the maintenance of our institutions of higher learning. I was aided by a somewhat elaborate research by Mr. Arthur Lefevre and by investigations conducted under the leadership of Mr. Will C. Hogg. As a result of these studies and as a result of my experience upon the boards of control of these two institutions, I came to the conclusion that a specific mill tax was the only dependable method, and in the long run was the most economical method, of supporting the institutions.

A college or a university should have a reasonable assurance of a definite maintenance over a long term of years in order that its executive officers may intelligently plan for its development. Such planning is impossible under the present system of fluctuating and uncertain appropriations. I believe that any open-minded man who studies the subject will come to a like conclusion.

There is some difference of opinion as to whether the mill tax should be fixed in the constitution or should be provided by statute. To fix it in the constitution would make it more certain, but on the other hand a constitutional limitation would make it rather difficult to provide for new institutions or to make the adjustments among institutions

as population increases and new educational needs appear. Therefore I incline to the view that the more expedient method is to make the mill tax statutory. Experience in other states shows that where a mill tax is set up by statute it is rarely, if ever, repealed.

T. H. HARRIS, STATE SUPERINTENDENT OF PUBLIC INSTRUCTION OF LOUISIANA

I am very strongly of the opinion that the constitution should require a minimum support for state educational institutions. The constitutional provisions here in Louisiana are to the effect that the state university shall be supported from July 1, 1922 until January 1, 1925 out of the proceeds of a two per cent severance tax on such natural products as oil, gas, sulphur, lumber, etc., up to a maximum of five million dollars for the period mentioned, and further, that the Legislature shall have authority, at its discretion, to make any additions to this support. After January 1, 1925, the University is guaranteed a minimum support of a half a mill tax on the state assessment. On present values this will amount to about one million dollars a year. The Legislature has authority to add to this tax should it see fit to do so.

The other state educational institutions, that is, normal schools, etc., are guaranteed by the constitution a minimum support of $700,000 a year with the provision that the Legislature may make such additions to this as it may see fit.

My opinion is that these constitutional provisions are very wise. I have been around legislatures for a good many years, and I have observed that when a Legislature meets, all of the interests of the state are there, and that they present their claims for financial support very strongly; and unless guaranteed a reasonable support to the schools these institutions frequently stand to suffer.

Those in charge of state educational institutions must make plans that extend through several years, and this they can not do unless the support is certain and permanent.

We find that this is also true of the public schools proper.

The constitution guarantees a minimum of both state and local support which is, it is perfectly safe to say, materially larger than would be realized by the public schools if such a provision were not in the constitution.

METHODS OF SUPPORT FOR THE STATE COLLEGES OF TEXAS

BY ANNIE WEBB BLANTON, STATE SUPERINTENDENT OF PUBLIC INSTRUCTION

In my opinion the best method of supporting the state colleges of Texas is by a mill tax provided for in the constitution of the state.

Our constitution and statutes place the government of our state colleges in the hands of the boards of regents of these institutions. Members of these boards serve for at least six years. They have the opportunity of becoming familiar with the plans of work and with the merits of members of the faculty. They are able, through their knowledge of the institutions, to use the money appropriated for their support, to the best advantage. With the multitudinous other duties forced upon their attention no legislative body can do this.

Of recent years the state Legislature has assumed partly the functions of the board of regents. Instead of appropriating for each institution what the Legislature feels that the state can afford to give to the school, the Legislature has undertaken to regulate every detail of the expenditures. It has placed about the funds appropriated, such rigid restrictions that it has been impossible for the board of regents to use these funds to the best advantage of the school.

By this system the boards of regents can not recognize or reward merit in members of the faculty, and the feeling has become prevalent in the state schools that the motto that should be placed above their doors—so far as members of the faculty are concerned—is "Ye, who enter here leave hope behind."

No institution can develop as it should without continuity

of plans and certainty of revenue. It is uncertainty of revenue that paralyzes progress in our state institutions under the present plan of legislative appropriation and legislative dictation. No institution should be absolutely at the mercy of political conditions and political influences. Petty politics has for years produced more or less stagnation in regard to school advancement in Texas.

By placing in the state constitution a mill tax, the proceeds of which shall be justly divided among the various state institutions, and by placing a provision in the constitution that the proceeds of this tax shall be appropriated by the Legislature, the funds to be under the direction of the boards of regents of the state institutions, we shall secure certainty of support and continuity of plans, and an era for higher education will dawn in Texas.

A notable instance of where this plan is followed in the Southern States is the state of Louisiana, which has entirely removed its state institutions from any kind of financial domination by the state Legislature, and a number of Northern States have followed this plan. I am attaching herewith a statement as to the methods of support followed in the various states.

There is no more reason why our state schools should be dominated by having their expenditures itemized for them by the Legislature than that this should be done for our city schools. A large city school system spends many times the amount appropriated for most of our state schools. Its revenues are absolutely at the disposal of its board of education, subject only to restrictions made by the state laws. Certainly the state board of regents is equally to be trusted with the city board of regents. The attempt to dominate the state institutions by the state Legislature has been the result of political influences, and this kind of practice can be stopped only by changing the constitution of the state of Texas.

SUPPORT OF EDUCATIONAL INSTITUTIONS IN THE UNITED STATES

BY THE STATE DEPARTMENT OF EDUCATION

In view of the fact that the matter of a special tax for Texas state colleges is now under discussion, and the State Department of Education has been called upon for the most recent statistics as to the support of state colleges in other states, there was recently sent out by the State Superintendent of Texas to the state superintendent of each of the other states of the union, a questionnaire in regard to the method of support of state colleges followed in that state. Replies have been received from all of these except Alabama, Colorado, Maryland, and South Carolina. Facts as to these four states were, therefore, gathered from their most recent biennial reports.

These replies show that nearly all of the states of the union have some kind of permanent fund, the income of which goes to the state institutions for higher education. In addition, these institutions receive support either from a mill tax or from legislative appropriations.

The following thirty states have no mill tax, and their state colleges are supported chiefly by legislative appropriations: Alabama, California, Connecticut, Colorado, Delaware, Florida, Georgia, Idaho, Iowa, Kansas, Maryland, Massachusetts, Mississippi, Missouri, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Texas, Vermont, Virginia, West Virginia. Of these, two states, Nebraska and North Dakota, formerly had a statutory mill tax, for the support of state colleges, but this provision was repealed.

In the remaining eighteen states, the state schools have for their support a special tax, the details of which are summarized below:

Arizona: Tax of one mill for the state university, to be increased next year to one and three-tenths mills.

Arkansas: Tax of one mill for the state university; tax

of six-tenths of one mill for the state agricultural schools; tax of two-tenths of one mill for the state normal school; tax of one and two-tenths mills for the eleemosynary institutions; tax of two-tenths of one mill for vocational education; tax of twelve-hundredths of one mill for colored normal.

Illinois: Tax of three and three-fourths mills for the state university and agricultural college, which is one institution.

Indiana: Tax of one-half mill for colleges; of the proceeds of this, Indiana University receives two-fifths, Purdue University, two-fifths, and the state normal schools, one-fifth.

Kentucky: Tax of seven-fortieths of one mill for the state university; tax of five-eighthieths of one mill for each state normal school.

Louisiana: Severance tax for the state university until January 1, 1925. This is two per cent of the gross output of mineral resources severed from soil, air, or water, such as gas, oil, sulphur, salt, etc. After January 1, 1925, the constitution sets aside an annual one-half mill tax for the support of the state university. The constitution provides that not less than $700,000 per year shall be set aside for the normal schools and the eleemosynary institutions.

Maine: The University is not strictly a state institution. A state tax of three and one-third mills is levied for educational purposes generally. The state normal schools and public elementary and high schools receive support from this tax.

Michigan: Tax of three-fifths of one mill for state university; tax of one-fifth of one mill for the state agricultural college.

Minnesota: Tax of twenty-three hundredths of one mill for the state university. The agricultural college is a part of the university.

Montana: Tax of one and one-half mills for all state institutions. These are all under one executive head, the chancellor, and no specified division of the tax is made by law.

Nevada: Tax of one and two-tenths mills for state university until 1925; after that, one and three-tenths mills. All state colleges are on one campus, and are included in the university.

Ohio: Tax of 125 thousandths of one mill for buildings; legislative appropriations for support. Of the product

of the mill tax, 72 per cent goes to the Ohio state University, which includes the agricultural college and normal schools, and the remainder to other state colleges.

Oregon: Tax of one and twelve hundredths mill for the agricultural college; tax of eighty-four hundredths of one mill for the state university; tax of one-tenth of one mill for the state normal school.

Tennessee: Tax of one-half of one mill for the state university; which includes the agricultural college.

Utah: Twenty-eight per cent of the entire property tax goes to the state colleges. Of this, the state university receives 64.43 per cent; the main agricultural college receives 28.34 per cent; and the branch agricultural college receives 7.23 per cent.

Washington: Tax of one and one-tenth mills for the state university; tax of sixty-seven hundredths of one mill for the agricultural college; tax of 1659 ten-thousandths of one mill for the state normal school.

Wisconsin: Tax of three-eighths of one mill for the state university, and one-sixth of one mill for the normal schools.

Wyoming: Tax of one-half of one mill for the state university, which includes the agricultural college and normal school. Of this, one-eighth of one mill is for buildings, and three-eighths of one mill, for current expenses.

JOSEPH D. SAYERS, EX-GOVERNOR OF TEXAS

I strongly favor the movement to secure a steady and an adequate revenue for the support and maintenance of the institutions of learning as named, through the adoption of a constitutional amendment providing for the levy of a special tax for the purpose; upon the condition, however, that the movement does not contemplate that the administration of those institutions shall be independent of the legislative and executive branches of the government.

It has been a long and well established principle. based upon experience, that it is indeed dangerous and unwise, except for short periods and under exceptional circumstances, to entrust a department or an official with discretionary power in the use and disbursement of public funds.

For many years I have been of the opinion that our institutions of learning should be maintained through a special tax, authorized by the constitution and that the proceeds arising from such tax should be kept separately from the general revenue. Under such a policy, if the tax rate be sufficiently large, the income arising therefrom will be steady and adequate for the support of the institutions and would increase with the advancement of the state in population and material resources.

A steady and an adequate income I regard as a vital necessity to the welfare and growth of an educational institution, without which it will become incapable of performing its appropriate functions and pursuing a career of usefulness.

Beside the advantage that would certainly accrue to the institutions should this policy be adopted, it would be less difficult for the Legislature to deal with its appropriation measures as the general revenue would not be burdened with these institutions whose requirements would sometimes be greater than the general revenue could bear without disregarding the rightful wants of other branches of the public service. At no period in our history has there been greater need for the exercise of intelligent judgment than at the present time. Problems of the gravest character and affecting our political, industrial, commercial, social and domestic life continually present themselves for solution.

Propaganda, as well for evil as for good purposes, flood the country.

Visionary doctrines, sometimes emanating from authoritative sources, but oftener from minds without an experience of life in the concrete, are sedulously promulgated through pamphlets and magazines.

Public opinion—often the opinion of classes and conditions—is becoming more authoritative.

The distinction, that was carefully observed and maintained in the exercise of federal and state authority in other days, is rapidly disappearing, and legislation of a socialistic character has become altogether too frequent.

Other, and as convincing, reasons might be given to show the urgent need of popular education. Our growth in population and material resources has been rapid and great; but strength and wealth will not compensate for the lack of knowledge.

An eminent American jurist, in a public address, once said, "We must educate, we must educate, or we will perish by our own prosperity."

Having assumed the duty of giving to the people every reasonable opportunity for the proper education of their youth, the state will incur a grave and lasting reproach, if it should fail to rise to the full measure of its responsibility.

Though not called for in your note, I can not forbear including in my reply, and as an integral part, the sincere and earnest hope that the Legislature will, in its consideration of our educational affairs, also submit an amendment to the constitution providing for an increased ad valorem state tax for the support of the common free schools.

When it is considered that fully ninety per cent, if not a larger number, of the youth of the state have only the educational advantages that the graded and common schools can give them, and that they will be called upon to discharge the duties of manhood and womanhood, no argument should be required and no appeal needed to induce such action as will put these schools in the best possible condition of efficiency.

There should not be a failure to give a liberal support to each and all of our institutions of learning—from turret to foundation.

The dissemination of knowledge among the youth of the land through institutions of learning has become as necessary as the protection of life, liberty and property, so long regarded as the highest governmental function and duty.

L. D. COFFMAN, PRESIDENT OF UNIVERSITY OF MINNESOTA

I do not think that there is any single asitsfactory method of support for higher institutions of learning. The three

sources of support upon which state universities must relv are:

1. The mill tax or direct appropriations.
2. Tuitions and fees.
3. Endowments and gifts.

The advocates of the mill tax have insisted that the income of a university will increase automatically as the wealth of the state increases. This is true unless there is a change in the basis of assessment. In that event, the actual amount of money raised by taxation may be increased or decreased. Even though the income of the university does theoretically increase automatically as the wealth of the state increases, it does not follow that it will increase as rapidly as the educational needs of the institution develop. It has been the experience of most states that the mill tax, when it is first established, is entirely too low. The assumed actual needs of the university at the time the law is enacted are frequently taken as the basis for determining the amount of the rate. No millage rate, so far as I know, has ever been established as the result of an actual study of the educational needs of a developing and expanding university. A state institution that must rely for its support primarily upon money raised by a mill tax will soon find itself lagging behind the procession, unless it is able to increase the rate of the tax. We have had a number of interesting illustrations of this fact in recent years.

One of the strongest arguments of those who have advocated the millage tax, as over against a direct appropriation by the Legislature for the maintenance of universities, has been that it made it unnecessary for the representatives of the state institution to go biennially to the Legislature for funds. It was assumed that the institutions were thus, to a certain extent, removed from the political arena. It gave them more independence and freedom. They could devote more time and energy to teaching and research and to general service activities. But the claims are not wholly justified because the amount of revenue raised annually by a millage tax, after the first few years, is seldom enough

to maintain the institution; and a campaign to increase the rate must be carried on. Of course, campaigns to raise money are biennial affairs with those institutions that must rely on direct appropriations. Institutions that are forced to rely chiefly upon direct appropriations have, over a comparatively long period of time, fared just as well as institutions that rely primarily upon a millage tax for their support.

When state institutions were first established, it was assumed in most cases that they would be free. Gradually, however, this notion has been dispelled. A recent study of some thirty-seven state institutions shows that they all charge fees of one kind or another, and that these fees are used to support teaching, research, to purchase equipment and for the actual operation and maintenance of the institution. Furthermore, student fees are constantly increasing, both in number and amount. This is due directly to the increase in registration, the expensiveness of laboratory work and the establishment of professional schools. It is due, indirectly, to the fact that the states do not always provide as liberally as they should in light of the growing needs of their universities. Many persons are now asking themselves whether the students in professional schools should not be required to pay the total cost of their education. The truth is that education in state universities is no longer free. The fees in some cases are becoming almost prohibitive. It is becoming very difficult for students with limited funds to secure training in medicine or in dentistry. The purposes for which technical schools were first established are being diverted by the extent that state institutions are compelled to rely upon fees and tuitions for their support.

No state university can expect that the major part of its support will come from endowments or gifts although the number of endowments and gifts should increase in the near future. Theoretically the graduates of state institutions should be more liberal in providing gifts for the universities from which they have graduated. Actually, there is some

psychological factor in the situation which does not work this way. The graduates of privately endowed universities, generally speaking, are more liberal in providing gifts than are the graduates of state universities.

It is obvious to every student of higher education that all state institutions will soon be facing a crisis, and that it will either be necessary for them to place a limit upon their registration or to find new sources of income. The difficulty is due not merely to the growth of these institutions, but to the fact that we are clinging in most states to an antiquated system of property taxation. Every one recognizes that much of the wealth of this country is sequestered or legitimately concealed in non-taxable securities. New sources of taxation must be uncovered, such, for example, as income taxes, inheritance taxes, corporation taxes, taxes on business or profits, severance taxes, or sales taxes, a fair share of the income from which would be used for the support of education.

P. P. CLAXTON, FORMER UNITED STATES COMMISSIONER OF EDUCATION

1. That the great State of Texas might, purely as a matter of business and because of the increase in material wealth which it would bring, give to all its institutions of learning, all the funds which they need for their support and for their largest possible development in the service of the state—this apart from all the higher values of good citizenship, individual culture and high idealism, which are, of course, more valuable than the more obvious results of material prosperity. Texas has unbounded resources, and a population strong, virile and aggressive. With proper education and training, there is no limit to the possibilities of its wealth, prosperity, and culture.

2. The elementary and secondary schools will, of course be supported in the future, as in the past, by the interest on invested funds, by appropriations from the treasury of the state, and by county and local taxes. With proper laws in regard to taxation, funds may easily be raised thus for

their generous support. The normal schools and possibly the College of Industrial Arts at Denton may also depend, I think, on annual or biennial appropriations from the treasury.

It is not so clear, however, that the college of agricultural and mechanic arts and the state university may hope to receive adequate support in this way. Legislatures are more likely to play politics in a small way with these institutions than with the elementary or high schools or with the normal schools. More than once in recent years the welfare and further development of these institutions have been jeopardized by the failure of the Legislature to make necessary appropriations. It would make the support very much more certain and contribute to steady and adequate development of the university and the agricultural college if there were levied for their support a special tax sufficient to provide for their up-keep and to enable the trustees to put aside money for buildings from time to time. In many states in which the income of the higher institutions of learning has thus been assured, they have been relieved of much anxiety and have proved the value of the plan by their steady and sure development and progress. Another reason for the adoption of this plan is that it ties up the fortunes of these institutions with the fortunes of the state in a way so obvious that it serves as an incentive to them to render the greatest possible service to the state in its material development as well as in all its higher interests.

TEXAS INSTITUTIONS OF HIGHER LEARNING

(Extract from an address before the Educational Survey Committee, April 21, 1922, by J. A. Hill, President of West Texas Normal.)

Should provision for "adequate support and maintenance" be made by a separate tax for higher educational institutions, or, should it continue under the system of appropriations made from time to time by legislatures?

There is no doubt that we greatly need a more dependable revenue upon which to project our building programs. To

respond to the growing needs of a great state like Texas institutions must be given an opportunity to develop a policy and to administer it without interruption from trivial causes and temporary social or economic conditions. They should be able to plan in advance and with reasonable certainty each year's improvements and these in terms of a general program of development covering a long period of years. The hit and miss policy which we are now pursuing would soon bankrupt any respectable private business enterprise. It would seem, therefore, that the mill tax might offer a reasonable escape from the evils of the present situation. On the basis of present property values it would bring a revenue of some three and one-half millions of dollars which, if properly distributed, would guarantee a steady and fairly adequate income. In the absence of a better plan and conceding that an equitable division of the proceeds can be agreed upon I favor a mill tax for the support of a general building program.

I do not favor a mill tax for the payment of salaries and other current expenses. In the first place, it would not produce sufficient revenue for both building and running costs. A comparison of the appropriations the institutions of higher learning have received in any recent biennium with the amount a mill tax would today produce is all the argument that is needed on this point. If all of our Texas colleges had to depend on the three and one-half million dollars which a mill tax would produce, the future would hold slight promise for our system of higher education.

In the second place, I am not absolutely sure that administrators and college professors ought to feel entirely independent of public will as voiced in our legislative bodies. Official responsibility to the people's chosen representatives and a measure of financial dependence upon public approval help us to keep our feet on terra firma. There is nothing so purifying to one's ambition and so sobering to one's judgment as the knowledge of the watchfulness of the public eye. Moreover, contact with the Legislature and other of-

ficial departments of the state government is mutually educative and facilitates business and administrative transactions. I would not have you believe, however, that I approve the present system of making appropriations in which the Legislature undertakes to fix the salary of every employee from president up to janitor. For example, it happens that the annual and monthly salary of practically all of the members of the faculty at the normal colleges is written in odd cents—a fact which requires enough ink, energy, and time at the various schools to pay a pretty good salary. Legislatures are not competent to fix with just discrimination the respective salaries of all the state's employees and it is a ridiculous spectacle to see them undertake it. Moreover, it violates the law which prescribes the duties of the board of regents and is likely to result in legislative meddling with the administrative affairs of our colleges. In my judgment, the president of the institution, the board of regents, and perhaps the board of control should agree upon a salary schedule after the president and regents have determined the number of employees needed. This should be submitted to the Legislature which should have authority through the appropriation committee to call for detailed explanation. If this committee objects to any item and agreement can not be reached thereon, the total sum to be appropriated should be so modified as to suit the committee's objections and then passed as a lump appropriation for salaries and the same method for equipment and upkeep. I do not consider it the function of the Legislature to determine whether Professor Jones should be paid $3,173.33⅓ per year, or $3,360.19. If legislatures can not trust college presidents and boards of regents for an economic and honest administration of the state's affairs then I fear we are in poor way to get what we are paying for in the field of higher education. It seems to me the legislators could better invest their time and their talents in an effort to work out an equitable tax system that would give the people what they want in the matter of schools. This is not to be understood as a criticism of members of the Legislature, but of the

system under which we are working. Every intelligent citizen who has studied the question of taxation knows full well that as it is now applied in this state it is wholly inadequate to our needs, unjust and dishonest in its principles, and exceedingly wasteful in its administration. Furthermore, every one who has studied the question knows that we can never have a satisfactory school system in this state until the tax problem is settled in such a way that the laws of the state will be in accord with the laws of right. Fundamentally, our school problem, from whatever aspect viewed, is a problem in taxation and when the people once comprehend this there will be some real constructive legislation in Texas that will vitalize our whole educational system.

In the absence of such public understanding and demand I wish to submit for your consideration another means for the support and maintenance of our institutions of higher learning. I make no claim to originality in the matter and pass over the question as to how it could be worked out. Inasmuch as all the institutions are in dire need of large funds for building why could not the state issue bonds, based upon a tax levy, for a long period of time and enter at once upon a consistent program of physical expansion? We bond our school districts because it is not right for the present year to bear all the building expense of the next twenty or thirty or fifty. We bond our cities for paving, our counties for roads, and nobody ever raises a question as to the matter of right involved. The nation, without a vote of the people, issues bonds for any purpose when emergency rises. In fact, such a procedure has become the established policy of the whole country. If it is right and expedient that independent school districts, cities, and counties shall bond themselves for their permanent improvements why is it not also right and expedient that the state should do so? A $40,000,000 five per cent bond issue covering a period of forty years would require a tax rate sufficient to produce $2,000,000 in interest the first year, and $1,000,000 as a sinking fund. This would be a very small rate on present

property values and such a sum spent on a building program covering the next five years would certainly put Texas institutions of higher learning on the map for at least a quarter of a century.

CARL C. PLEHN, PROFESSOR OF FINANCE, UNIVERSITY OF CALIFORNIA

The first requisite for a plan of support of a state university as of any other university is stability of income. The second is steadiness of growth of income keeping pace with the growth of the institution.

Scholars of distinction will not accept appointment unless assured of permanence of tenure and of salary with due allowance for promotion in rank and salary. Hence the need for certainty of funds.

For a state university three plans seem possible, with, of course, combinations in a system involving parts of each: (1) a mill tax; (2) an appropriation as nearly unrepealable as may be; (3) student fees.

The general favor accorded the mill tax arises from its assumed stability and probable regular growth. There is also the expectation that once granted it will be permanent. The dangers lie in: (1) the possibility of a change in the general tax system; (2) in a possible failure of assessed valuations to grow as fast as the needs of the institution grow; (3) the difficulty of meeting extra needs as for buildings.

An appropriation for general maintenance can not very easily be given that degree of permanence which is essential. Although for ten years past in California there has been such an appropriation increasing 7 per cent each year compounded annually, and covering a large part of the regular maintenance. If, however, this had not been supplemented by additional appropriations it would have been insufficient. Since there is no state ad valorem tax there can be no mill tax in this state, hence the above method was adopted.

Student fees have a large following and no little equity. But in general the public objects.

There is something to be said in favor of giving the inheritance tax to the university. Argument runs that the education of the young is an appropriate use of the estate of a decedent. But the inheritance tax is not regular in yield and unless used to add to a mill tax or to a permanent appropriation and to be used for extras, i.e., buildings, etc., might be unsatisfactory. Sometimes when large estates fall in the inheritance tax is large, in other years it may be small. It would be quite possible, however, to provide some system of averaging the inheritance tax and arranging to accumulate in fat years a fund to carry over the lean years. The difficulty would be to put such a plan into contract form.

There is always much to be said in favor of budget or legislative control of university appropriations as a means of keeping the institution from dry rot. But as stated above this defeats its purpose if it results in a repute of instability, because scholars of distinction will not accept appointment when a state budget or legislative committee has the power to disturb the professor's tenure.

Personally I advocate an eclectic scheme with: (1) a mill tax, or a permanent (growing) appropriation irrevocably allotted to instructors' salaries; (2) supplementary appropriations for building and other special needs and for administration; (3) moderate student fees devoted to covering library, infirmary, laboratory expenses and like costs which are occasioned directly by the student, or can be more directly allocated to the student than can instruction. Such a scheme, if administered under non-political control affords at once the essential stability for healthy growth.

SUPPORT OF STATE INSTITUTIONS OF HIGHER LEARNING

BY HON. LEONARD TILLOTSON, FORMER MEMBER OF TEXAS LEGISLATURE

The measure of support provided for education is a just

criterion of the progress of organized society. The provision made by a state for the support of its educational institutions is to be accepted as a fair expression of the attitude of the popular sentiment toward educational development in its varying aspects. Peculiar as it may seem, the popular attitude may be comparatively liberal toward the advancement of one branch of education, and indicative of more or less indifference to the advancement of other forms of educational endeavor. Not only in this state, but throughout the Union, it may be said that the sentiment of the masses is united in the most liberal provision for the support of the common schools. This is but a natural illustration of the fact that the popular sentiment favors necessary and adequate support for those institutions available to all classes and to the people of all communities alike. In many states the public schools are accorded liberal support, while the higher institutions receive indifferent consideration. In comparatively few of the states may it be asserted, without qualification, that the popular sentiment has advanced to such a degree and crystallized in favor of equally liberal provision from public funds for the support and development of the higher educational institutions and the public schools. In fact, we are never likely to see the same measure of popular approval for the development of the higher educational institutions that is expressed in behalf of the common schools of the country.

There are two phases of provision for the support of the educational interests of a state. The first is the measure of the support; its adequacy to the reasonable requirements of normal growth and judicious development; and the second is the degree of permanency given to the provisions for support, the establishment of a consistent policy in adequately maintaining each educational activity authorized by the state.

In this state there is noticeable indifference to the measure of support to be given our higher institutions of learning. There is also noticeable difference in the attitude toward different higher educational institutions.

Public sentiment on the subject of education in its entirety is always undergoing change. This is particularly true in Texas. Community participation in public school support is exerting a strong influence. We are likely to find that provision for education which popular sentiment would approve this year, would not be considered adequate provision a few years hence. As a consequence, the character of provision that should now receive popular approval should be such as to prove readily adaptable to future requirements with the minimum of change in state policy.

The policy of the state in providing for the support of the public schools and for the support of the higher educational institutions, should be as nearly uniform and consistent as is practicable, in view of the scope and character of the work. No greater error could be made than that of establishing different policies in the support of the public schools and the higher institutions. If Texas is to advance its educational standard, and develop institutions of higher learning of the first-class of their kind, it may only be accomplished by and through the most intimate identification of the higher institutions with the common schools of the state. It is the common appeal of educators that such legislation be enacted as will remove the schools from politics. State schools, both the common schools, and the higher institutions, will never be wholly removed from political control. It is not to be expected that they will ever be placed in such an attitude, through statutory enactment or even constitutional provision, that they will not be responsive to the popular judgment. It would be unfortunate for the cause of state education, which must broaden greatly with the years, for it to be removed from the free and ready expression of the public sentiment.

Provision for education in Texas should embrace a complete revision of existing policy, beginning with the rewriting of Article VII of the Constitution. Section 3 of Article VII should be amended by the removal of the limit which may be assessed for the maintenance of the public schools, and the Legislature should be authorized at each

regular session to provide by statute for the levy and collection of such ad valorem tax on the assessed property valuations of the state as may be found necessary to maintain the schools for a minimum number of months, which public sentiment places at nine. This would provide a single state tax for maintenance purposes. It would cost the people less than the dual system of state and local taxation now in existence. It would eliminate the inequalities of opportunity for education among the public schools, by assuring the children of the common school district in the country the same chance as is accorded the children in the city schools. Nothing short of this uniformity of support for the public schools, and the upbuilding of the rural schools, will ever establish the broad foundation essential for the greater popularity of higher education in the state. It may be asserted without contradiction that until there is no longer a rural school problem in Texas, sentiment favorable to, and adequate provision for, higher education in the state will grow all too slowly and prove disappointing. This fact demonstrates the intimate relationship existing between the common schools and the higher institutions; and the necessity for a consistent and similar policy in their support.

In harmony with the suggested change in Section 3 of Article VII, giving to the Legislature authority to periodically adjust the tax levy to the needs of the public schools, assuring to the school support the flexibility absolutely essential to respond to the growing scholastic enumerations, those sections of Article VII dealing with the University, the Agricultural and Mechanical College, and the Prairie View Normal School, should be amended to give to the Legislature the authority and direction to make provision for the support of the higher educational institutions of the state by tax levy as well as by appropriation. Such amendments to Article VII should include all state institutions established since the adoption of the Constitution of 1876, and provision be made for their participation in any tax levy that might be provided.

The Thirty-sixth Legislature passed House Joint Resolution No. 29, which sets out in detail proposed amendments to Sections 10, 11, 12, 13, 14 and 15 of Article VII, suggesting the support of the higher schools by tax levy and by appropriation. Section 13 of the resolution contains the authority for the proposed tax levy.

In many states, provision for the support of the higher institutions has been made by the establishment of a mill tax. That is, the writing of a provision in the constitution for a specific tax to be annually levied and collected for the exclusive support of the higher educational institutions. There are two objections to be advanced to the mill tax in this state. The first, and important objection, is that it tends to remove the state's schools, and it may be said their educational activities and their development and advancement, from the ready and intimate association with the popular sentiment, without which there is real danger of the schools and the public moving in diverging paths. The second objection to the mill tax, is really embraced in the statement respecting the first, and is that the public judgment will not approve its adoption, at least at this time.

There is no advantage to the educational institutions in the constitutional mill tax that may not be found in the specific statutory tax levy. On the other hand, there are distinct disadvantages in the mill tax not present in the tax levy. The constitutional mill tax is an inflexible provision. In a state whose educational needs are expanding as in Texas, constant demands would have to be made for supplementary appropriations, and the public believing the mill tax in the constitution afforded adequate support, might look unkindly upon the additional demands, just as it was for a long time difficult to get a large part of our people to realize that the permanent public school fund does not provide sufficient revenue for the support of the public schools and that appropriations must be made to supplement that revenue. A special tax levy directed by statute in conformity to constitutional authority, for the support of the higher institutions of learning established by the state

would not be looked upon by the people as a finality in support, as would be the case of a fixed constitutional tax, and supplementary appropriations would be accepted as a natural accompaniment to the policy. The Legislature could fix the tax levy for the support of the higher institutions from time to time, we will say, about every third legislative session, the needs accruing through growth to be cared for by supplementary appropriation at intervening sessions. Only through some such policy as a specific tax levy by the Legislature from time to time, supplemented by appropriation from the general revenues as occasion demands, may the support of our higher educational institutions be maintained upon a flexible basis capable of being made adequate at all times, without change of policy, and without the introduction of legislative expedients that give rise to controversy and result in materially hampering the state's educational development. The people are naturally jealous of their right to maintain constant contact with and supervision over those institutions and agencies supported from the public funds, and in the end it will be found the wiser policy to adopt such plan of support for the institutions of learning as will serve to keep the public mind alive to and abreast of the growing requirements of education. The public will benefit from such policy, and in the measure the public receives a benefit will the educational institutions be advanced and developed.

EXPENDITURES FOR BROADER EDUCATION IN TEXAS AS COMPARED WITH WISCONSIN

BY TOM FINTY, JR., PUBLISHED IN THE DALLAS NEWS IN 1911

I wish it understood, however, that it is not my desire nor purpose to belittle the educational institutions of Texas nor to convey the impression that they are not doing worthy work. Upon the contrary, it is my profound conviction that the University of Texas and the Agricultural and Mechanical College of Texas—these combining functions corresponding to the University of Wisconsin—are doing a

tremendously important work for this state, and that they have done surprisingly well considering the investment and the funds devoted to their support.

It must be apparent, however, from what I have already written that the people of Texas are not deriving anything like as much corresponding benefit from their chief educational institutions as do the people of Wisconsin from their state university, and we can put over against that statement of fact that the people of Texas have not, upon any basis of comparison, devoted as much money to the support of such educational work as have the people of Wisconsin. Here we have both cause and effect in a nutshell.

Paying the Fiddler

We can not make the University of Texas "an institution of the first class," as the fathers of Texas said it ought to be, merely by saying that it is such. If we desire to receive from it a quantum of beneficial results balancing with those received by the people of Wisconsin from their university; if we would have it reach all of the people, benefiting them in the present, it is patent that we must give it the same character of support as the people of Wisconsin give to their university. "By University of Texas," when used in a comparative sense throughout this article, I mean also to include the A. and M. College of Texas.

We can hardly claim that the difference is due to wide dissimilarity of conditions, nor to the fact that Texas is a "new state." It is not a spring chicken as compared with other Western States.

Texas became a republic in 1836. At that time it had 57,040 inhabitants. Wisconsin was formed as a territory of the United States in 1836. It had at that time 22,000 inhabitants, one-half of whom, it is estimated, were within the territory now comprised in the state.

Texas was admitted as a state in 1846; Wisconsin in 1848.

The Congress of the United States in giving Wisconsin territorial government provided for the establishment of a

university, but the university was not established until the state was created in 1848.

The Congress of the Republic of Texas provided for the establishment of a university, and the university was given a large land endowment, but the institution was not established until 1882.

Texas at the census of 1910 had 3,896,542 inhabitants, and Wisconsin 2,333,860. Both have large undeveloped areas.

Manner of Support

To make a comparison of the support given the chief educational systems of the two states is rather difficult, for the fiscal systems of the states widely differ. In Wisconsin the university is provided for: first, by a direct tax, levied by the Legislature for a term of years, so that the officers of that institution may make plans for the future, certain of resources with which to carry them out; secondly, by permanent appropriations, for certain purposes, provided for by general laws; third, by special appropriations continuing through as many years as may be necessary. For example, in the case of a building which it may require five years to construct, the Legislature provides for an annual appropriation for each of five years. In addition the university has its income from investment, and its agricultural fund from the federal government.

In Texas the university has its income from the investment and from appropriations by the Legislature. The A. and M. College has its funds from the federal government and by legislative appropriation. Under our constitution appropriations can not be made at one time to extend for more than two years. Obviously, this provision alone places our institutions at disadvantages.

In presenting the figures below given, it seems fitting to say that the item of fees and farm sales in the accounts of the University of Wisconsin ought not be fully considered in comparison with the Texas accounts which are kept on a

different basis. In this comparison the income of the University of Texas and the Agricultural and Mechanical College of Texas are consolidated, for the reason that the University of Wisconsin also includes the agricultural college of that state.

Comparison of Income

The income of the University of Wisconsin in the aggregate is approximately $2,000,000 per annum, or 86 cents for each inhabitant of the state; of Texas approximately $875,000 per annum for both university and A. and M. College, or 20 cents per inhabitant of the state.

Wisconsin University had a very small public land endowment; Texas University had a large one. Texas income from rentals and interest is seven times as large as that of Wisconsin.

The income of Wisconsin University from taxation is more than double that of Texas University and A. and M. College from the same source, in fact more than double the Texas income from taxation and from rentals and interest combined.

Appropriations derived from taxation for the support of the University of Wisconsin are 73 cents per capita of the inhabitants per annum; in Texas 17 cents.

Figures in Parallel

Here are the figures for the last biennium and the present biennium, the latter in part estimates:

Last Biennium

	Texas	Wisconsin
Total income	$1,686,689	$3,623,445
From taxation	1,162,900	2,717,197
Rentals and interest	289,025	42,316
From United States Government	152,263	129,000
Fees, etc.	82,501	.....
Fees and sales from farm	.....	734,931

Present Biennium

	Texas	Wisconsin
Total income	$1,790,872	$4,307,247
From taxation	1,308,905	3,401,000
Rentals and interest	288,000	42,316
From United States Government	143,967	129,000
Fees, etc.	51,000	.....
Fees and sales from farm	.....	734,931

Perhaps, in order that the comparison should be entirelv fair, we should add to the Texas figures the expenditures upon account of the College of Arts for Girls, the work of which parallels in part to that of the University of Wisconsin. The appropriations for this college were for the last biennium $76,680 and for the present biennium $168,950.

Certainty of Income

It will be seen from the foregoing that the University of Wisconsin not only has a much larger income than have the institutions of Texas engaged in like work, but also that it has greater certainty of income. It has a larger plant and more equipment and a larger staff. Its salaries are higher. Texas University every now and then loses a good man because of the inability to pay better salaries.

A RESOLUTION BY THE EX-STUDENTS' ASSOCIATION OF THE UNIVERSITY OF TEXAS

To the Members of the Senate and House of Representatives.

At a meeting of the Ex-Students' Association representing more than 20,000 ex-students of the University of Texas, and of other friends of education in Texas, the following resolution was unanimously adopted, and we are directed to submit it to your honorable bodies.

Reposing full confidence in both branches of this Legislature and with full assurance that neither the Senate nor

the House has any purpose to take any action that will injure the University of Texas or impair its efficiency and usefulness to the people of the state, we nevertheless respectfully but earnestly protest against the recent action taken by the House on the University appropriation bill, especially in sustaining what is known as the Bonham Amendment, and in support of this protest we respectfully submit the following:

I

Salary Reductions

The salary standard, as adopted by the Board of Regents and embodied in the appropriation of the Thirty-sixth Legislature at the first called session, provided for a maximum annual salary of $4,000 for a full professor. It was not intended at that time to fix the maximum limit, but it was contemplated and recognized as necessary that at the next session of the Legislature the Board of Regents would be authorized to increase the maximum to probably $5,000. Because of conditions that arose during the war, the Board of Regents asked the Legislature for authority immediately to increase the salary standard at the University of Texas so that the maximum salary of a full professor would be $5,000 a year. This was intended as a permanent increase by the University authorities.

The increase allowed was $143,144 for necessary increases in salaries, and $63,105 for necessary additions to the staff for the past year. These two items added to the total carried by the general appropriation bill for salaries at the Main University, $585,930, make a total of $792,179 which the Board of Regents had available from the general revenue for salaries at the Main University for the past scholastic year.

The bill as reported by the joint committee of the present House and Senate, and as adopted by the Senate, provides a total of $791,000 per year for salaries for the ensuing two years. The Bonham Amendment as adopted in the House carries a total for salaries at the Main University for the

same period of $444,527 per year for salaries at the Main University.

That there is no necessity for cutting $425,000 from the University budget in order to stay within the state's estimated revenue for the next two fiscal years is made absolutely plain by the statement of Chairman Satterwhite of the appropriations committee appearing in the *Austin Statesman* of this date (which we quote with full confidence) to the effect that by allowing all that is carried in general appropriations as adopted embraced in the committee report, the state at the end of the fiscal year August 31, 1922, would have $3,155,640 to the good, while at the end of the fiscal year August 31, 1923, there would be an estimated surplus of $7,210,000.

Any such reductions or any reductions below the standard now in force is not permissible if the University is to secure and hold competent professors. This is evident from the fact that in all of the western states at all comparable in size, population, and wealth with the State of Texas, that is, the states of California, Iowa, Illinois, Michigan, Minnesota, Wisconsin, and Ohio, the maximum salaries of full professors average over $6,000, while the present maximum in the University of Texas is only $5,000; and the average maximum salary of nine privately endowed institutions, including two in the State of Texas, is $6,944.

The statement made in some quarters that the average of maximum salaries is less than $3,500 is unfair, because the average is obtained by including scores of colleges that do not aspire to the standards of the University of Texas. Manifestly a fair comparison can only be made between institutions of like character and doing like work.

II

No Increase Provided For

Let it be borne in mind that even on the basis of the bill as adopted by the Senate there is no provision for increase

in the teaching staff to make provision for increase in attendance shown by past experience to be approximately 11 per cent compounded.

III

Summer School

The practical effect of the Bonham Amendment is to abolish the summer school. It is manifest that such will be the result if the amendment should finally prevail, for the reason that it was intended that this department would be maintained and carried on through the means of the available fund of the University, which, under this action of the Senate would be at the disposal of the regents for such purpose. Under the amendment the available fund can not be used by the regents except for building purposes, therefore it follows, there being no specific appropriation for the summer school, that it must fail if such amendment finally prevails.

The disastrous effect of eliminating the summer school from the work of the University is obvious. It is perhaps the most important single factor in the service of the University to the people. In the present year there were 2,300 students in the first term and 1,284 in the second, coming from all parts of the state. Most of them are teachers or students preparing to teach in the city or rural schools. We have said that it is perhaps the most important single factor of university work, because through it the teachers from the rural districts, now some 2,300 in number, attend this school and the best thought and inspiration of the University is carried directly back to the rural schools and to the pupils who attend them. Any action which through lack of appropriation deprives the people of this vital aid to education is of necessity disastrous to the best interest of the state.

IV

Bureau of Extension

The right and authority to control the general available fund of the University being taken from the regents and no other provision being made for the Bureau of Extension, it also must fail and with it will fall another most important branch of University work as shown by the following brief review of the work it has done in the past.

Number of people reached during 1920-21, more than one million. Correspondence courses given, 2400, mostly to teachers. Package libraries distributed, 7536, covering 600 subjects and distributed to 222 counties, mostly in smaller towns and rural communities.

Visual instruction slides in actual service, 12,000, including historical and geographical groups for Texas schools and on the wild flowers of Texas, distributed to every corner of the state. Lectures to accompany the slide sets are prepared by experts on the various lines represented.

Home economics, number of people reached through child welfare clinics, health lectures, and development of home and school, more than 15,000, mostly school children, teachers, and parents.

These figures do not include the many thousands reached by bulletins, letters, and printed matter in general of the bureau.

This takes no account of the many thousands reached by the University Interscholastic League.

V

Bureau of Economic Geology

The Bureau of Economic Geology and Technology which is in like manner abolished, has helped to develop the resources of the state and is estimated to have attracted capital and to have induced the development of the resources

of the State of Texas in amount greater than the total expended for the University from its beginning. It has located and investigated deposits of oil, potash, kaolin, fullers earth, quicksilver, manganese, sulphur, coal, and iron. The abolition of this department will be a disaster to the state.

It is not necessary to remind the Legislature that the constitutional mandate and the will of the people of Texas as well demand that the state shall have a University of the first class. We respectfully submit that legislative action which prevents the University from obtaining talent to fill its professorships in competition with other institutions of like rank prevents it from reaching the children of the rural schools through the teachers that attend the summer school and the people at large through its Extension Department, and that prevents its aid to people of the state in the development of its physical resources through its Department of Economic Geology and Technology practically eliminates it from the category of a university of the first class and materially impairs it not substantially destroys the purpose of its creation.

We, therefore, submit with confidence the issue of the future of the University, believing that the patriotic members of the Legislature will see that the will of the forefathers shall be carried out and a university of the first class be maintained.

D. A. Frank, Dallas
Dayton Moses, Fort Worth
Asher Smith, Laredo
A. M. Frazier, Hillsboro
Miss Lula Hogg, Fort Worth
Linton S. Savage, Corpus Christi
Ernest Thompson, Amarillo
Geo. C. Holmgreen, San Antonio
John W. Brady, Austin
W. D. Caldwell, Fort Worth
Mrs. D. C. Webb, Fort Worth
L. A. Carlton, Houston

Resolutions Committee

Extracts from "A Tentative Report to the Virginia Education Commission on a Mill Tax for the Educational System of the State." By Chas. G. Maphis, Secretary, Charlottesville, Va., October 7, 1910. (Bulletin of the Virginia Department of Education, 1912.)

There are four methods of support now being used:

(1) Biennial appropriations.

(2) Annual appropriations for a term of years.

(3) An appropriation of a fixed percentage of the total gross revenues of the state.

The latter method is used in but one state—Tennessee.

It is my belief that an appropriation based on property, commonly called a mill tax, is the best of these methods.

Sixteen states have adopted this method of support for one or more of their educational institutions, and twenty-one out of eighty-three state universities and other institutions of higher education are supported in whole or in part by a mill tax.

Summarized and briefly stated, the arguments for the mill tax method of support are as follows:

1. Experience proves that the millage method is the best one. Sixteen of the most progressive states, supporting twenty-one of the most prosperous institutions, have adopted it, and after having an experience with it, pronounce it the best.

2. It enables the institutions or system thus supported to have a fixed policy which shall be in force for an indefinite period, and to make far-seeing and wiser plans for future growth and needs. No consistent educational policy can be carried out without some degree of dependence upon a certain income. The administrative officers must have some reasonable anticipation of the funds which can be commanded for use, if they are to plan wisely and economically.

Private institutions have an endowment and hence an assured income, which, while not often sufficient, is always certain. The mill tax amounts to a permanent endowment with the state behind it.

3. It produces a constantly increasing revenue, while

private endowments, desirable and helpful as they are, produce decreasing returns on account of lower rates of interest.

The revenue from a mill tax is certain to grow somewhat from year to year and to grow very considerably when long periods of time are taken into consideration. In Minnesota, for instance, it has doubled in the last ten years.

Experience in other states has shown that the amount of revenue will increase with the increase in the wealth of the state and in proportion to the growth and needs of the school system. It does not always keep up with them, but nearly every state which has had a mill tax for any length of time has not only continued it, but has increased it, one or more times as the needs have demanded. A fixed appropriation continually becomes inadequate, and it is difficult to get it increased.

4. It gives stability to the business efforts of a school system, which could not be expected at all if it depended on annual or biennial presentation of the needs of the Legislature.

5. It provides a stable support in times of financial depression and eras of politicalism, such as we had in 1879, when the total school revenue fell from $1,000,000 to $512,000, and is, therefore, a scientific and practical method of support.

6. It prevents constant and undignified lobbying throughout the session of the Legislature, and avoids the unseemly biennial scrambles and unpleasant rivalry among the several state institutions before the legislative committee.

7. It saves much time and annoyance to the legislators themselves by relieving them of the importunities of a most persistent and numerous class of lobbyists, and prevents "log-rolling" and "wire-pulling" among representatives of different parts of the state when one institution is, as it usually is, played against another located in a different part of the state. These rivalries often lead to unnecessary duplication of work intended only to appeal for an appropriation.

8. It adds to the dignity and self-respect of the school men themselves by relieving them of the necessity of engaging in this unwilling, unpleasant, but necessary struggle for existence, which is an unwise use of the time, energy and ability of the president, trustees and friends of an institution, and puts a premium on political leadership rather than educational leadership. The general progress in this country is toward academic freedom and the elimination of politics from education.

Dr. Webster Merrifield, for twenty-five years president of the University of North Dakota, writes as follows: "I was chiefly responsible for the passage of the mill tax in North Dakota for the support of the university and other state schools, and was at the head of the University of North Dakota during ten years of operation under the tax. My opinion as to the superiority of the mill tax is (1) Certainty; (2) Avoidance of unseemly scrambles between the several state schools before the appropriation committees of the Legislature; (3) Increase of income from year to year fairly proportional to the growth of the state in wealth and the growth of the university in numbers and needs. Before the passage of the mill tax we never knew before-hand whether or not the university was going to receive a fairly adequate appropriation for maintenance. There was a recurrence each biennial period of unpleasant rivalry between the different state schools. There was need of almost constant and always undignified lobbying throughout the session of the Legislature. I am confident, too, that the university has habitually received a larger annual income from the tax for maintenance than it could have hoped to receive during the same time from direct biennial appropriations. Few members of the Legislature of 1899 which passed the mill tax realized or ventured to say how large an income it would bring to the several state schools. Almost every year the Legislature is raided by special institutions for appropriations. They maintain skilled lobbies, and but for the presence on the statute books of the permanent mill tax, would often divert to themselves a portion of the state's

total income which now goes to the schools. After ten years of operation under the fixed appropriations for state schools, neither the schools nor the members of the Legislature would be willing to go back to the old system. The legislators themselves are spared almost endless 'pulling and hauling' by individuals whom some of them are fond of alluding to as 'those educational sharks,' and are measurably relieved of the importunities of a most persistent, if not the most numerous and unscrupulous class of lobbyists. For the school men, too, the gain is enormous. I was conscious of an immediate and tremendous gain in self-respect after being relieved of the necessity of engaging in a biennial scramble for existence, institutionally speaking. And if now the fixed tax for maintenance could be supplemented by another for building purposes, I should feel that the life of a state university president is as nearly ideal as is often realized on this earth."

President Charles Van Hise, of the University of Wisconsin, writes in reference to the mill tax: "The fundamental argument which we used in its advocacy was that in a rapidly growing state a fixed appropriation continually becomes inadequate because the university grows in proportion to the growth of the state. I showed that this theory was in accordance with the facts, that the growth of the university has been more rapid than the increase in income, and that in consequence, it was becoming increasingly difficult to keep our work up to a high school standard. These ideas were finally accepted by the Legislature and we were granted two-sevenths of a mill tax, which, when it went into effect, raised our income approximately $200,000 per annum. Since that time the increase in assessed valuation of the property of the state has increased our income annually not less than $33,000, and the increase in 1908 is $63,000."

A mill tax is seemingly so slight that it does not raise the violent opposition to be found in an attempt to pass direct appropriations, and again the proceeds of the mill

tax continue to increase as the property of the state increases. The mill tax in the State of Minnesota has doubled in the last ten years—$135,000 in 1900, $265,000 in 1910.

Dr. J. K. Patterson, president of the State College of Kentucky, whose institution has been supported by a mill tax of one-twentieth of a mill for the past twenty-seven years, writes that he prefers this method of support because it is less subject to the caprice of the Legislature. He states that the mill tax is not likely to be repealed in Kentucky.

Dr. Charles A. Lowry, president of the State Agricultural College, Fort Collins, Colorado, writes that the mill tax for his institution and that of the other state institutions is for support and buildings, if the money is not all needed for support. The advantage of the mill tax lies in the fact that the authorities always have a definite basis to figure on. The Legislature is more or less a changeable body, and unless a definite amount is provided, the authorities and the state institutions never know what to count on. Very often hardly enough is appropriated for maintenance. Again, a great deal is appropriated so that work can be started which must later be given up, when an economical Legislature comes into power.

Mr. E. W. Stanton, secretary of Iowa State College, writes that his institution received the proceeds of a tax of one-fifth of a mill for building purposes which yielded in 1909-1910, $135,000. The tax runs for five years, but has been renewed twice, and he hopes to have it extended for another five-year period in 1912. Since the first tax came into effect in 1900, the total income by the close of 1912 will be something more than $1,400,000. The buildings on the college grounds are inventoried at something over $1,600,000 of this value. Prior to 1900 the department buildings were temporary structures utterly inadequate to meet the growing needs of the institution. The millage tax lifted the college out of these temporary buildings into fireproof, durable structures that last for generations. This result could not have been accomplished by direct appropriations from the general revenues of the state. The millage tax enables

trustees and faculty to plan wisely in the matter of buildings, and has helped in no small measure to the symmetrical development of the institutions, the fund for their support must be taken out of the general revenues, and this is always insufficient. Under the tax method the income gradually increases with the increase of the wealth of the state.

Excerpts from the "Report of H. S. Pritchett, Chairman of the Carnegie Foundation for the Advancement of Teaching. 1909."

The most impressive feature of the advance of the tax-supported institutions is the generous support accorded to them by their respective states. Several states now contribute annually a million dollars each to the support of their respective state universities, and in some states the bulk of this income comes in the form of a mill tax which is rendered without action of the Legislature and which increases automatically with each revaluation of state property. A million dollars a year is, however, a very modest sum for a great and rich state like Wisconsin, or Illinois, or California to spend on its state university. These institutions may confidently expect incomes far larger than any privately endowed universities can hope to enjoy. It is clear that state support of education in a commonwealth educated to that ideal is the most generous and constant source from which such support can be drawn. . . There is one feature of state support of education which is worth noting. In the earlier days the state university president was expected to lobby for his annual appropriation. In the better institutions that day has gone by. The state university president goes before committees of the Legislature with his budget. He appears there not as a beggar but as a state officer, exactly as the head of a government bureau goes before the committees of appropriations of Congress.

Excerpts from "A Counsel of Perfection: A Plan for An Automatic Collection and Distribution of a State Tax for Higher Education." By J. G. Rosengarten. Reprinted from the Proceedings of the American Philosophical Society, Vol. 52, No. 209, April, 1913.

Illinois, Indiana, Iowa, Montana, Wisconsin, are among the western states which have state universities. In their state constitutions provision is made for an automatic assignment of a small part of the state taxes for their support. Thus all appeal to the state Legislature for support is made unnecessary. In Wisconsin, and in many other universities, colleges, etc., the United States Land Grant is made part of the endowment of the state university, and for agricultural and technical schools. Iowa has recently put all its educational institutions under a single governing board. All the western universities have out of the increasing wealth and revenues of their states provided incomes growing in proportion to their needs, and their activities keep pace with them.

Dr. James B. Angell, President of the University of Michigan, gives the following reasons for preferring a mill tax:

"1. When several items are named, great difficulty for legislative committees, two to three of which in each house have to act; difficult to make some members appreciate need of some items.

"2. A university should know approximately some few years at least in advance what it can depend on, in order to have a policy.

"3. As one Legislature can not bind its successors, it has happened to us to have one provide for establishing a department and when professors and apparatus have been secured and students have come, the next Legislature has failed to continue it and much embarrassment has followed, e.g., our school of mines.

"Whereas, our experience shows that once the mill tax is adopted, the disposition of legislatures is to increase it, not to abolish it.

"Begin with a modest rate, and trust the future for growth."

SUMMARY OF POINTS IN FAVOR OF A MILL TAX

Adapted from a bulletin issued by the University of Kansas in 1912, entitled, "A Plea for a Mill Tax"

1. A mill tax would benefit the state's higher educational institutions. It would ensure a more healthy growth of such institutions, because normal growth in an educational institution is possible only when plans providing for such growth can be made, extending over a number of years.

2. It would make it less easy for other universities to take some of the best teachers from Texas, as they have been doing, because of the greater permanence of these universities in the matter of income, and the greater certainty with which their teachers can depend on the continuance of their work.

3. It would make it possible to take better care of the details of the schools' administration. Under the present system, the university budget for the expenditures in June, 1917, had to be compiled in the fall of 1914—almost three years ahead. With a permanent income, each year would be provided for as occasion required and the administration would know definitely what to count on.

4. It would have the time of administrative heads and members of the faculty who are compelled by their duty to the interests entrusted to them by the state to go to Austin and exert their efforts to have these interests understood by the Legislature, in order to prevent the doing of some serious injury to some branch of the educational or state service work through oversight or lack of knowledge.

5. It would relieve administrative heads from the humiliation of being criticised for attending committee sessions at the Legislature and doing the necessary legislative work to which their devotion and duty to their institutions obligates them.

6. It would put Texas among the states which have already given their educational institutions the advantage of permanent incomes by fixed tax: Iowa, Ohio, Wisconsin,

Michigan, Minnesota, Colorado, California, Indiana, Illinois, Nebraska, and others.

7. It would remove all temptation from educational institutions to save their interests by resorting to political methods. No state institution would ever be drawn into politics.

8. It would put the maintenance of the higher educational institutions on a permanent basis, removing them from the danger of having their revenues curtailed by caprice or financial depression, and enabling the administration to pursue a definite business-like policy.

9. It would insure the gradual and proportionate increase of the revenues for education as the value of the property in the state increases, providing automatically the larger means of meeting growing needs.

10. It would emphasize the insignificance of the cost of education to the individual taxpayer. If he pays taxes on a valuation of $10,000 the mill tax would cost him $10. Would any man question that the presence in the state of educational institutions, doing an immense amount of state service work, adds not one but many dollars to the value of each thousand dollars worth of property that he possesses?

11. A permanent tax would relieve the legislator from the responsibility of the present large total of appropriations, removing from his shoulders the burden of practically the entire educational budget of the state. It would also relieve him from the well-meant but sometimes over-zealous importunities of the advocates of the various institutions. It would save the time of legislators who are now compelled to study the intricacies of appropriation bills while occupied with scores of other legislative matters. To understand thoroughly the details of the university appropriation bill alone would require all the time that the ordinary legislator can devote to the duties of the legislative session.

12. It would build up more creditable institutions. By eliminating competition it would make towards a better cooperation among the various schools, and a consequent increase of efficiency and value to the state.

13. It would result in a more economic administration of the educational institutions because systems based on a stable and calculable income always mean economy.

14. It would be to the advantage of the taxpayers because it would insure their getting the greatest possible efficiency out of the state schools, the greatest possible value for their money, since only with a fixed and permanent income can an educational institution do its best work.

THE TAX LEVY AND BUDGET SYSTEM

Extract from 1920 Biennial Report of the Board of Regents of the University of Texas

We heartily approve the tax-rate levy, instead of specific appropriations, as a means for obtaining the necessary funds to finance the university, and the budget system as a method of applying these funds to the needs of the separate departments. The former enables us to know with reasonable certainty the financial resources for each biennial term, and the latter secures the application of the fund for the specific purposes needed and still leaves sufficient flexibility to meet the ordinary unforeseen contingencies. Since the budget was fixed, it was found imperative that compensation of the faculty be increased if the university was to retain the services of those competent to maintain the standard of efficiency in instruction which the institution deserves and the state desires. During the same period the ordinary expenses of administration have not escaped the increased burdens incident to every operating enterprise. Yet, notwithstanding these demands, which could not be fully anticipated, it is with pride and pleasure that we report to you that the university is within its budget and asks no deficiency appropriation. By reference to the budget and the Comptroller's system of accounting, which has received the most favorable commendation of both state and federal officials, we have at all times been able to ascertain the condition of the university fund as a whole and of each separate department. In our judgment, to depart from the tax-rate

levy as a fund-producing system and the budget as a method of applying and expending it, would be unwise and injurious to every interest of both the state and university.

THE LEGISLATURE AND LEGISLATION

Extract from the final message of Dr. S. E. Mezes to the Board of Regents of the University of Texas in 1914

I have spoken of the Legislature as one of the governing boards of the university, and so it is. It governs the university by determining biennially what funds shall be available for the carrying on of its activities; and, in performing this function, it from time to time at least prevents things from being done which its colleagues, the regents, believe to be desirable, or even all but necessary. Moreover, in measures besides the money bills, the Legislature exercises control over the university. If this function is exercised in a responsible spirit, the Legislature can greatly help the institution both negatively and positively.

The corollary is that the Legislature can greatly injure and hamper the university. It seems plain that a body of men, many of whom are serving their first term, and none of whom have any continuous or intimate knowledge of the workings of the institution, can not, with profit to the state, attempt to direct its affairs in any detail.

At the same time, the Legislature can not escape the duty of giving some directions to the university; and it is to be hoped that it will, in time, devise some method of performing this duty that will enable it to deal with so important a matter in a manner less casual than it has heretofore adopted. I believe it would be a good plan for the Legislature to employ, every few years, a small expert commission, made up of two leading educators, from without the state, of national prominence and competence, and of one first-class business expert, this commission being charged with a thorough detailed study of the institution and the formulation of a report, with criticisms and constructive suggestions.

If the university is to serve Texas as it should, its income must be greatly increased—in fact, more than doubled. A modern state university can not operate efficiently on less than two millions a year; and, in a huge state like Texas, it should, in the near future, be provided with three millions annually. Three universities in states much smaller are expending nearly the latter sum today, to the great benefit of their constituencies.

In addition, the following measures of legislation would, I believe, be very helpful to the university in the performance of its duties of service, and correspondingly helpful to the state as a whole: (1) a statutory measure levying a special tax for the support of the institution; (2) an amendment repealing the portion of Section 14 of Article VII, of the constitution prohibiting appropriations of tax levies for the erection of university buildings; and (3) a statutory measure, if the constitution permits that method, authorizing the issuance of bonds, with interest and sinking fund payable out of the available university fund, for the construction of buildings and the purchase of additional ground to enlarge the campus.

The special tax has been so often and fully discussed that little need be said here. It costs no more to support the university out of the proceeds of a special tax than out of biennial appropriations. The chief advantages of the tax are two: (1) the regents will know what they can depend upon in the matter of support, and can lay their plans accordingly in a far-sighted and business-like way; (2) the university will be withdrawn further from the disturbing and perilous contact with politics into which the method of biennial appropriations unavoidably draws it.

The university is the only institution in Texas and the only university in existence which is prevented by state constitution from constructing buildings out of moneys appropriated from the general revenue or proceedings from tax levies. The prohibition was the chance enactment of a busy convention; has not the shadow of reason for its existence; does no particle of good; and should unquestionably be repealed at the earliest moment possible.

The briefest study of the question makes it plain that those who object to authorizing the issuance of bonds under reasonable restrictions for the construction of buildings do so because they have given the question no study. The advantages of the plan are palpable, and there are no serious objections to it if the measure is properly drawn. It is a plan that has been adopted by every large private enterprise that is intelligently managed; the plan that has been adopted in constructing practically all the existing school buildings in Texas and in other states, as well as by most counties and cities here and elsewhere. Its convenience arises from the fact that buildings are costly, and that it has been at no time possible in Texas to provide large enough buildings, good enough buildings and a sufficient number of buildings to meet the needs, if their total cost is to be borne by the taxpayers of a single year. Its equity arises from the fundamental maximum of taxation, that those who enjoy the benefits derived from the proceeds of tax levies should pay the taxes, and that it is unfair for only a portion of those enjoying such benefits to meet the entire tax. Properly constructed buildings should last from thirty to a hundred years; their cost should be borne by the people enjoying and receiving the benefit from them at least during the thirty-year period.

MILL TAX SYSTEM OF UNIVERSITY SUPPORT

Extract from an address delivered by Edward G. Smith, President of the West Virginia University Ex-Students' Association in 1914

The paramount need of the university is adequate financial support, as by a separate, continuing mill tax, legislative and constitutional.

It requires no great penetration to discover how university support could be liberalized, better secured and better utilized in a system of separate, continuing mill tax, than in the caprice of biennial legislative appropriations, often made grudgingly, sometimes reduced to sums that are niggardly, sometimes transferred to other uses, always subject

to political necessities and political uncertainties, never made according to any definite and continued system of far-sighted vision and therefore always wastful and inefficient.

Bryce in his *American Commonwealth,* briefly describing the appropriation system and the mill tax system and preferring the latter, says:

> "Many of the state universities of the West receive a grant from the state treasury, voted annually or biennially by the Legislature, but a preferable plan, which several states have recently adopted, is to enact a permanent statute giving annually to the university some fraction of a mill (1-1000 of a dollar) out of every dollar of the total valuation of the state. This acts automatically, increasing the grant as the resources of the state increase."

Under the existing biennial appropriation system our university has never been able to be liberated from political embarrassments.

Governor Jackson, believing after his namesake, "Old Hickory," that "to the victor belong the spoils," treated the university as among his political spoils. In this respect he differed neither from most of his predecessors nor from most of his successors.

Dr. I. C. White, of the chair of geology, and Professor T. M. Jackson, of the school of engineering, assumming there was no reason why the Pennsylvania oil field should stop with Mason and Dixon's line at Mt. Morris, took their classes on the ground and ran levels and traced the oil field far into West Virginia and located the great Mannington pool. This is a kind of work students need. To this day the faces of those boys beam with joy at the remembrance of that experience. In a professional way on that survey from Mt. Morris to Mannington they saw a new light. That light is with them yet.

And what an inestimable service to the state!

In a few years after this, neither of these distinguished men was longer connected with the university.

Dean Hogg but recently tried to connect his school of law with practical work on West Virginia textbooks and code

and living cases including the already celebrated Virginia debt case.

Hogg's practice books and Hogg's code are on the desk of every West Virginia practitioner. Hogg is still connected with the debt case but is now entirely disconnected from the university.

It is a well known fact in legislative circles, that two years ago (as, since before the days of Governor Jackson, had been, for political reasons, the rule), the appropriation bill was first placed before the Legislature on the last day of the session, in the afternoon of that day. In the remaining fragment of the closing day of the session, what opportunity had the friends of the university on the floor of either house to take care of her needs?

It is an equally well known fact that the last Legislature appropriated for buildings and lands, for normal schools and university, $300,000, and that by reason of other demands on the state treasury, deemed by a part of the executive branch of the state government more urgent than education, the appropriations were not, for about a year and a half after the close of the session, by the executive department, "released" for educational use.

A few years ago after President Raymond had quickly but undiplomatically done so much more for the advancement of the university than many of his predecessors, combined, there arose, in certain quarters outside his faculty and board of regents, an envious wave of unpopularity, and the appropriations for the university were made available only upon his removal.

Four years ago a professor of the university, employed to teach Greek, never supposing he had sold his political integrity for a professor's salary, criticized a certain political policy and thereupon his dismissal was demanded and the then pending appropriation bill for the university was not passed until his dismissal was accomplished—a circumstance which, by way of a contrast to make every West Virginian blush, calls to mind the long continued and magnanimous indulgence of the absolute despotism of Russia

towards the greatest opposition teacher among its subjects, Count Tolstoi, and calls to mind the recent incident of Harvard sustaining the political integrity of a professor at the definite cost of a $10,000,000 legacy.

In these practices it is not to be supposed that one political party differs widely from another, nor is it to be supposed these practices are confined to a single state, nor to a few states of the Union. But, however regrettable that may be, it is gratifying to know that under a system such as the mill tax system suggested, financial support for the university would be as secure as it ought to be and professional seats in the university would be as secure as they ought to be and the university would be set free from politics.

Under the existing system of biennial appropriations the university has no fixed or certain base for definite plans projected far into the future.

Not only must there be freedom from political interference but there must be foresight. There must be certainty. There must be plan. There must be perspective. The university authorities must know in advance, not two years, but many years what they will have to spend in order to know how to spend it to the best advantage, in systematically building up a greater institution. In no other way can they so plan and work by plan as to eliminate waste, to secure efficiency, to attain harmonious development, and to obtain generally maximum results.

The point may be illustrated in university architecture by the noble harmony on the campus at Charlottesville, the result of Jefferson's plan, contrasted with the want of it elsewhere.

How can the management evolve their schools or equip the university in accord with any high degree of excellence upon biennial contingencies? Uncertainty must be eliminated and the university placed upon some financial footing at least as certain, permanent and automatic as is the rest of our free school system.

When the taxable values in the state are fixed and the

number of mills per dollar or per hundred dollars to be set apart to the university equipment and maintenance are determined, no element of uncertainty remains except what may be due to changing values from one valuation period to another which presumably would increase with the increased needs of the university. These give a definite base upon which to plan a university and all its departments and for apportionment among the respective departments. They form a base for plans designed to cover a long period of years such as may not be evolved in two-year periods or ten-year periods or a generation. These long time plans, based upon fixed assets available, and certainly to become available, make for proportion and harmony in development, make for economy in expenditure and make for efficiency. In fine, they make for maximum results and have nothing but contrast with the present hand-to-mouth system, or want of system, wasteful and inefficient.

Another consideration of the system proposed is its attractiveness to the best teaching talent in the country. It would not only retain our best talent at home but would invite the best talent and genius from abroad. Men of talent and genius are willing to work for much smaller financial remuneration if they can only be assured of an opportunity to do their best work, often requiring many years, often requiring a life-time, for its accomplishment and only possible in universities which can make permanent plans covering a long period of years and with reasonable certainty of their due execution, in an atmosphere of freedom.

The mill tax system of whole or partial university support has been adopted for many leading institutions in more than a dozen states in this country, including the universities of Wisconsin, of Michigan and of Illinois, and the annual and biennial appropriation system is already antiquated.

Show me a state university now dependent entirely upon annual and biennial appropriations and I will show you a cripple.

At the last June meeting of the Alumni Association it unanimously adopted a resolution introduced by President

Gore of the Harrison Club, favoring an arrangement for permanently financing the university by means of a continuing mill tax. Under date of July 31, I had a letter from Mr. Shawkey, state superintendent of free schools and president of the board of regents, committing himself unreservedly to that resolution. At a recent meeting of the board of regents at Wheeling it committed itself to the substance of that resolution and it now seems a very opportune moment to present the proposition to the business men of the state through this state board of trade and I most earnestly hope for your very careful and your very favorable consideration of it.

For we are convinced the answer to the second inquiry is: The required means for university support may be made certainly available by means of a continuing mill tax, legislative and constitutional, and this may be brought about by the policy suggested respecting our distinguished men, our alumni organization and a loyal efficient, university service extended to the general public.

ADVANTAGES OF THE MILLAGE—STATE INSTITUTIONS HAVING IT

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Extract from the Report of George E. McLean, President of the State University of Iowa, for 1911-1913

Experience proves that the millage method is the best one. Twelve of the most progressive states, supporting twenty-one of the most prosperous institutions, have the millage system as one of the means for support or buildings, or both.

There can be no better illustration of the advantages of the millage system over the hit-or-miss special appropriation method for buildings than in the history of the University of Iowa. Excluding the Old Capitol, the first building at the university, originally a gift from the United States, from the beginning of the university up to the first installment of the millage tax in 1896 there were erected ten build-

ings, of cheap construction, without architectural merit, at an original expenditure of $234,375. These buildings were not fireproof, and three of them were destroyed by fire, with great accompanying loss of their equipment, apparatus, and valuable specimens, to say nothing of the interruption of the work of the university. Under the millage, including the buildings erected and contracted for, with the two buildings for which a special appropriation was granted, there will have been erected 18 buildings since the beginning of the millage in 1896, or twice as many buildings as were put up from the beginning of the university during nearly a half century. The total cost of these buildings was $1,093,050, as compared with the total original cost of the earlier nine buildings of $234,875. The buildings under the millage, with two exceptions, have been fireproof, of stone, built to last for all time, harmonious in architecture, chaste in their simplicity, and unsurpassed in their adaptation to their uses. They have been erected with the future in view, combining artistic and economic effects. Olmsted Brothers of Boston, have been consulting landscape architects. They and other experts and educators, who have visited the university declare that it has unique advantages for its buildings and campus. These advantages come from the university entering upon its building era later than sister universities, enabled by the millage to adopt consistent and economic building policies, and having unusual physical advantages in the location of the university on the slope in connection with the Iowa River.

The greatest benefit from the millage to the university, much as the public is impressed by the buildings, is the development of the real work of the university. Some times the building era of a university is at the expense of its school work. Just the contrary has been the result at this university. The tide of migration of Iowa students outside the state has in part been turned by the sight of the buildings and by knowledge of the state's consistent policy under the millage, of equipping the institutions. The positively unsanitary conditions for the professors and students in

the form of overcrowded and unventilated buildings have been removed.

The underpaid staff of instruction in part has been held because of the facilities and equipment given them in these buildings. The quality of the instruction, so dependent in these days, even in the literatures as well as the sciences, upon the laboratory methods has been improved. Many lines of research (the very essence of a university) requiring proper housing have been strengthened and the graduate college made possible. The new buildings have made it possible for the university to serve the public welfare; for example, the state bacteriological laboratory in service of the public health, the psychological laboratory in service of the schools, etc. In short, one of the original chief factors contributing to the recognition of the university has been due to the millage tax.

MILLAGE TAX

Extract from the Report of the Iowa State Board of Education for 1911

Some months ago the board ordered a careful investigation for the purpose of deciding whether or not the Legislature should be asked to continue what is known as the millage tax, the proceeds of which have been used for the erection of buildings at the several institutions. As a result of this investigation, the board has unanimously decided to ask for the continuance of this tax for an additional five-year period.

We find that this method of providing for buildings is the one in vogue in California for the state university of that state, in Colorado for the state agricultural college and school of mines, in Indiana for the state university, in Kentucky for the University of Kentucky, in Michigan for both of its institutions of higher learning, also in Minnesota, Nebraska, North Dakota, Ohio, Wisconsin and Wyoming. It is a fact easily demonstrated that the institutions as they now exist have practically been created out of the proceeds of this levy.

Buildings Erected at the State Teachers' College

At the state teachers' college the tax has performed a like service. President Seerley has tersly summed up the situation in general, as follows: "The creation of the first millage in 1902 opened the way for a satisfactory system of construction, enabled plans to be carefully made, and began a possibility for creditable educational institutions in the state of Iowa. Up to that time the cheapest form of construction had been used, the poorest kind of architecture was accepted, and the equipment was beggarly and insufficient to permit the work that such institutions were supposed to undertake and to pretend to accomplish. Without this improvement in the construction of buildings for higher education, the Iowa institutions would have been among the weakest and most unattractive in the whole United States. With the present policy continued the time is not very distant when Iowa will be on a par with any of the states."

ARGUMENTS FOR AND AGAINST A PROPOSED MILL TAX AMENDMENT TO THE CONSTITUTION OF CALIFORNIA WHICH WAS SUBMITTED TO THE ELECTORS OF THAT STATE ON TUESDAY, NOVEMBER 2, 1920

The state is suffering from a crisis at the university for financial reasons. Its revenue must be placed upon a more sound and permanent basis. It is specifically urged:

(1) The tax here sought is not new in principle. A similar legislative measure in force from 1893 to 1910 enabled the university to be of the greatest service in its history, and was emphatically favored by legislatures and the public alike. This tax was impliedly repealed in 1910 by Constitutional Amendment No. 1.

(2) The university is now financed upon the basis of 1910. Yet from 1910 to 1920 the students at Berkeley alone increased in numbers from 3300 to 9800—an increase of 200 per cent—the recently inaugurated branch at Los

Angeles has an additional 1300, the professional colleges and farm schools throughout the state are growing rapidly, and the 1919 registration for extension work alone was 16,000.

(3) Classroom and housing facilities utterly fail to take care of the increased numbers. Classroom facilities have increased only 20 per cent. New buildings are essential for the general sciences and the new school of education. Students can not get housing accommodations, and dormitories must be built. At the opening of each college year these problems become acute.

(4) Classes are much too large. A student can not receive the necessary individual attention from his instructor in a class of hundreds.

(5) Compensation of the teaching force must be increased. There has been an increase of but 25 per cent in salaries in the past ten years. In consequence, the problem of getting competent instructors grows increasingly difficult. The best experts are either sought by other institutions which offer higher compensation, or go into private business. These men must have spent at least seven years of non-remunerative time in order to qualify for their positions, and for some time past only loyalty to the university has kept many of the best men there. The threatened loss of our best experts in farming, irrigation, mining, engineering and the other arts and sciences must be avoided at all hazards.

(6) Under the present system, the university must ask for aid each legislative session. Our legislatures have been generous, but even this experience in the past can not take away the constant uncertainty for the future. No comprehensive plan for growth and expansion can now be made. The proposed plan will remove this uncertainty and avoid the necessity of a scramble for funds.

(7) Other states, sixteen in number, have recognized this principle of the automatic tax as being the best method of supporting a state university.

(8) By this measure every taxpayer who has property

subject to assessment of the assessed value of $1,000 will pay $1.20 per year for the support of the university and all its branches. The university may remain a free institution, without tuition fees, and its services to our agricultural, mining and other interests can grow from year to year to meet the growing needs of the state.

WARREN GREGORY,
President Alumni Association of the University of California.

Argument Against State University Ad Valorem Tax

This measure to raise funds for the state university is fundamentally wrong. It is unjust from the standpoint of taxation. It violates all the traditions and practices controlling and safeguarding the handling of public funds. In violation of the present provisions of the constitution it places a yearly burden of over four million dollars upon the home, the farm, the business and the industry and relieves public service corporations from paying any portion of the tax. This measure places this large sum, which increases yearly at the rate of about seven per cent, without reservation in the hands of the board of regents of the university. The people will have no control of this money either through the Legislature or by initiative legislation, unless they again amend the constitution. Therefore, this ad valorem tax now proposed is not the same as the old ad valorem tax which was formerly levied for the university. The old tax was levied by the Legislature and subject to positive control by the Legislature and responsive to public desire and demand. For years California provided a mill tax for the university and at this time other states provide mill taxes for their universities, but the public funds so raised were and are properly safeguarded by provisions which are entirely lacking in the measure now before the people. This measure sets aside public funds not only beyond control of the people, but in excess of the present necessity of the university. At present there is annually appropriated to the

university out of public funds slightly over two and one-half million dollars. This measure adds to that the sum of one and one-half million dollars, while the actual additional needs of the university have been stated by friends of the university to be not in excess of one million dollars a year. This measure places the university in a much favored position ahead of the public schools, of the courts, of the state functions for public safety, and ahead of the support of our dependents and the care of our widowed mothers and orphaned children. It is preposterous that a measure of this kind should be presented for public approval. Surely the voters of this state will not approve a measure which levies upon the man unequal and unjust tax, which places public funds beyond proper control, and sets such funds aside regardless of other equally meritorious or more necessary needs. The measure should be defeated.

CLYDE L. LEAVEY.

EXTRACT FROM AN ADDRESS DELIVERED BY GEO. SPENCER WRIGHT TO A MEETING OF THE EX-STUDENTS' ASSOCIATION, AUG., 1921

Seventy-six years ago the builders of this great commonwealth directed the Legislature, as soon as practicable, to establish and provide for the maintenance and support of a "university of the first class." At that time Texas was thinly settled and poor in resources. Since then it has reached the position of the fifth state in population and among the first in material resources, and yet this university trails behind the educational institutions of states with smaller population and resources.

The universities of Iowa, Indiana, Michigan. Minnesota, Missouri, Nebraska, Wisconsin and other smaller states have received for many years larger legislative appropriations than the Texas University. Michigan, Minnesota, and Nebraska point with pride to their great universities built from generous appropriations and direct taxation encouraged, if not demanded, by a people eager to build universities of the first class.

For almost three quarters of a century Texas has been so parsimonious with its university that many young men and women have gone to other states for their education, and hundreds of our university students have borne the heat of our torrid summers and the cold of our varying winters in wooden shacks that mar the beauty of the campus and which would reflect but little credit on an ordinary "wild cat" oil development camp.

The total amount necessary for the support of all the state educational institutions, as estimated for each year of the next legislative biennium, is, in round figures, $9,500,000. The estimated taxable values in the state for the next two fiscal years amount to approximately $3,400,000,000 and $3,500,000,000 each year. If the amounts necessary for the support of all the educational institutions were placed roughly at $10,000,000 per annum a fixed tax of 3½ mills for each year would, on the basis of an increased valuation from year to year, provide the revenue desired by these institutions. If the constitution should be amended so as to provide for a tax of 3½ mills per year, solely for the support of these educational institutions, and permit the Legislature to increase the millage basis every five years, the funds necessary for all these institutions and the building of a university of the first class would be provided. Among the states that have provided this character of tax are the following: Arkansas, Colorado, Illinois, Indiana, Kentucky, Michigan, Minnesota, Montana, Nebraska, Nevada, Ohio, Oregon, Tennessee, Washington, and Wisconsin.

One-third of a cent on the taxable values of Texas each year for the support and maintenance of these institutions would not appear as too much to ask the people of this state. If you and I shall do our full duty in a movement for this tax, if the subject shall be placed fairly and fully before the people, they shall be ashamed to vote against it. Permit me to suggest that we begin now a concerted movement for this constitutional amendment, and that each of us pledge our services in the movement until it shall become a part of the organic law of this state.

If we, as the beneficiaries of the university, shall succeed in securing funds for the upbuilding and support of a university of the first class, we shall render distinct service to the university, the state and posterity; and when such amendment has been adopted, we shall return here to celebrate a new day, the University of Texas Independence Day —her independence of sordid politics, independence of legislative appropriations, an independence that shall permit it to stand, not second, third or fourth, but as a "university of the first class."

FACTS CONCERNING THE CRISIS AT THE STATE UNIVERSITY, AGRICULTURAL COLLEGE AND NORMAL SCHOOL, AS COPIED FROM THE OFFICIAL VOTERS' PAMPHLET OF THE STATE OF OREGON

Submitted by R. S. Bean, President of the Board of Regents of the University of Oregon; J. K. Weatherford, President of the Board of Regents of the Oregon Agricultural College, and Ben W. Olcott, President of the Board of Regents of the Oregon Normal School.

1. *Higher Educational Institutions Forced to Appeal for Relief*

A financial crisis is upon the Oregon Agricultural College, the State University, and the Oregon Normal School. It is due to causes over which they have no control. Upon this crisis, the joint ways and means committee of the last Legislature held a hearing. The committee found the three institutions in desperate need. It found that they should not wait even until next year. Accordingly it recommended to the Legislature an additional levy of 1.26 mills for support, beginning in 1921, and an appropriation of like amount for this year alone. The Legislature itself was barred by the six per cent tax limitation from making the levy and appropriation, so it referred the bill to the people, and directed that two pages be set aside in this pamphlet to

explain the facts to the voters. The voters are to decide May 21, and as many of the facts as can be contained in two pages will now be set forth.

2. *One Cause of Crisis Is the Remarkable Increase in Number of Students*

Since the original millage bill went into effect in 1913 the number of full-time residence students at the agricultural college and the state university has increased one hundred and fifty per cent. At the agricultural college in 1913 there were 1364 full-time students; there are now 3378. At the state university in 1913 there were 691 full-time students; there are now 1745. The institutions have tried hard to make income meet maintenance costs in the face of this remarkable growth, but have been unable to do so.

3. *Meanwhile Their Income Is Further Reduced by Great Upheaval of Costs*

Not only has the number of students increased one hundred and fifty per cent, but in the same seven years the cost of supplies and equipment has doubled. (This is not true of faculty salaries, which have necessarily been increased very little.) The buying power of the dollar of 1913 is today about 45 cents. The experience of the three institutions has been the same as the experience of every Oregon family. It is as if a family of four in 1913, with an income of $2000, has been increased to a family of ten in 1920, with an income of $900. And with the attendance one and one-half times as great, and the buying power of the existing income cut squarely in two, the millage tax revenue has remained almost unchanged.

4. *Millage Income Little Changed Because of Policy on Assessed Valuations*

The millage tax revenue has stood almost still because assessed valuations in Oregon remain about on the same basis

as they were in 1913. It was the expectation of the Legislature, of the tax commission, and of all concerned, when the present millage support was passed, that the annual rise in assessed valuations would equal increase in maintenance. How conspicuously it has failed to do so is shown by the following table:

1913	$954,282,374
1914	932,413,080
1915	934,495,032
1916	878,763,944
1917	928,605,570
1918	987,533,896
1919	990,435,472

That is, the increase in the state's assessed valuation since the millage bills were passed in 1913 has been *three and eight-tenths per cent*, while the increase in student enrollment has been *one hundred and fifty per cent*, and the increase in operating costs about *one hundred per cent.*

Further, the number of students described, totaling about 5400 at the three institutions, includes only full-time students, and does not include the many thousands who take winter short courses, summer schools, extension classes, or correspondence study. All of these also have to be financed, however, from the millage tax income, and their number, too, has increased tremendously.

5. *When Expressed in Terms of Dollars Crisis Becomes Apparent*

In actual dollars the state university is receiving only $10,846 more than it would have received in 1913 from the millage tax income, but it has 1054 more full-time students. The agricultural college is receiving only $14,462 more, but it has 2014 more students. The normal is receiving only $1445 more.

Had it not been for thrifty and far-sighted administration, the three institutions would long before now have been turning students away. A pre-war report of the United

States Bureau of Education gave the average cost per student per year at $325 in the great number of American universities and colleges that entered into the calculation. At the state university this year, however, in spite of the rise in prices, the cost per student is $203, and at the college $180. Even with the new millage bill in effect the cost in Oregon would still be below the average for institutions of similar grade. The annual student cost at the agricultural college, as an example, would still be $70 a year below the annual student cost at a typical group of five agricultural schools in the Middle West and the West—those of Michigan, Iowa, Kansas, Indiana, and Washington. (Note: In addition, the costs of the five colleges mentioned were taken from a four-year period preceding the war, when costs were about one-half what they are now.)

6. *They Find Themselves Unable to "Make Ends Meet" Any Longer*

The state university, agricultural college, and normal have at last "come to the end of their rope." The war piled on burdens that made universities and colleges everywhere stagger. It not only raised prices to the breaking point for them, just as it did for every man's household, but it compelled them to add branches of study, to intensify their work, to whip up their speed; for few agencies rose to meet the call of the war as did the universities and colleges of the country. The war also showed hundreds of thousands of men the wonderful value of a college education. Nearly 1500 ex-service men have hurried to the state university and the agricultural college alone. Welcome as they were, they have nevertheless helped to create a problem that can not be met without more aid from the state.

7. *Shortage of Classroom Space Is as Great as Shortage of Maintenance Funds*

Classroom conditions at the college and university are almost impossible. It is natural that they should be when

it is remembered that the buildings of 1913 were even then insufficient, and that the number of students has increased ten times faster than classroom space. Out of the dozens of possible illustrations there is room in these two pages for one or two only. At the university the sciences have the laboratory and classroom facilities sufficient for an institution of about 700, instead of one of 1745. The university library was built when the student body numbered 400, and has study facilities for 211 at one time. At the agricultural college students are shifted all over the campus to find room at all, then are constantly crowded into wholly unsuitable quarters. The teaching efficiency of the two institutions is fast being broken down by lack of classrooms and laboratories.

8. Salary Conditions Result in Steady Loss of Best Faculty Men

The cost of living has risen probably about 90 per cent in Oregon since 1915. Faculty salaries at the university, college and normal have advanced about 20 per cent since that time. The result has been a steady loss to the state from its best faculty material. Teachers can not be expected to stay on indefinitely out of loyalty when they have to borrow from banks, or dip into previous savings to keep their families supported. At the agricultural college alone there have been forty-five faculty resignations since July, 1919. Some go to the branches of industry in which they are specialists, for one of the great lessons of the world war was the unrealized value of the technical training of the university and college professor. Others go to states that have already met the crisis in their higher educational institutions by providing more adequate funds.

Yet it is vitally important that many of these faculty members be kept in the state, and in particular the technical specialists. Professors of agriculture, horticulture, dairying, animal husbandry, education and child study, journalism, commerce, engineering, forestry, and such practical

branches, come to their highest worth in a state only after years of service. New men can not learn Oregon in a season or two.

9. Why Higher Education Pays in General and Why It Pays in Oregon

Higher education puts dollars into the pockets of thousands of Oregon citizens. The feat of the agricultural college in increasing the grain output per acre has alone added more to the wealth of Oregon for each year than the entire cost of higher education for the same year. So has the work of the college in reducing the fruit pests. So has its achievement in raising the egg-laying average and in improving the livestock. In a less visible but no less direct way the university and the normal are making their contributions to the wealth of the state.

Higher education is a safeguard against anarchy on the one hand, and against aristocracy and reaction on the other. Nearly all the inventions that helped win the war were contributions of college professors or college-trained men. Educated men and women produce more and save more. The arrival in the business and industrial world in the last fifteen years of a great number of young men of broad university training has helped make America the business and industrial leader of the whole world. It has helped bring the worker and the employer closer together, and to improve the social and financial position of the former. Higher education in Oregon has been one of the strongest factors in bringing in settlers to populate a vast region that at the present averages only nine persons to the square mile.

10. What the Effect on Taxes Would Be, if You Happen to Be a Taxpayer

Assessed valuations in Oregon usually vary from one-third to two-thirds of the so-called "cash valuation," which in its turn is generally lower than the "asked price." A

man paying on $1000 of assessed valuation would have $1.26 added to his annual statement. As the prevailing tax levies run, including the special levies for roads and towns and local schools, his increase would usually range from one-twenty-fifth to one-fortieth.

That is, it would add from two and one-half to four per cent to his annual taxes to have the agricultural college, the university and the normal of his state placed on a footing that would let them remain the equals of the higher educational institutions of neighboring and Middle West States, and make it possible for him to educate his boy and girl at home, without going to the far greater expense of sending them away from the state.

11. If You Were the Person Responsible for Higher Education, What Would You Do?

Imagine yourself to be responsible for the carrying on of higher education in Oregon. The institutions for which you have this responsibility have been created by the people for the education of their boys and girls, for the spread of good citizenship, for educational extension to the state generally, and for the perpetuation of the Republic's free institutions.

Suppose that you have been provided by the people with what they expected at the time would be an adequate millage income. Unexpectedly to them and to you, however, the income fails to meet growth, fails to meet the unforseen conditions created by a world war. In fact. the income stands almost still.

Meanwhile your costs begin to go up, up, up. They double in seven years. Your dollars become worth 45 cents of their old buying power. Your buildings are depreciating Your equipment is wearing out.

And, on top of it all, your student enrollment jumps *one hundred and fifty per cent.*

12. What Would You Do if These Things Happened to You?

Would you close up your doors? Or would you let your

whole educational system break down?

Or would you go frankly before the people, make the facts known to them, and ask for the increase in income that has been necessary in every other activity?

If you would do this last, it is then your consistent duty to vote for the Higher Educational Tax Act.

(Note: Just before this copy went to the Secretary of State, on March 1, the Higher Educational Tax Act was endorsed by the State Taxpayers' League at its annual meeting in Portland. The measure had previously been endorsed by the Oregon Newspaper Conference and by the Oregon Retail Merchants Association. Many other organizations were preparing to endorse it, and dozens will doubtless do so between this date, March 1, and May 21.)

(Signed) R. S. BEAN,
President, Board of Regents,
University of Oregon.
J. K. WEATHERFORD,
President, Board of Regents,
Oregon Agricultural College.
BEN W. OLCOTT,
President, Board of Regents,
Oregon Normal School.

THE CRISIS

Extract from Worker's Handbook, published by the Montana University Funds Campaign Committee in July, 1920

No longer can the university institutions of Montana, including the State University at Missoula, the State College of Agriculture and Mechanic Arts at Bozeman, the State Normal College at Dillon and the State School of Mines at Butte, perform efficiently the tasks which have been assigned to them. Their present income is wholly insufficient. They find themselves confronted by long accumulating needs for more buildings for instruction and supplementary student activities, for more books and scientific apparatus and technical equipment, for better libraries and

laboratories, and for more and better living accommodations for the students.

They are confronted also by an acute situation resulting from:

1. A greatly increased number of students.
2. The need for higher salaries to attract and hold strong teachers and able investigators under present living costs.
3. Rapidly rising costs of all supplies.
4. Demands for new types of service—extension work, correspondence classes, boys' and girls' club work, mining bureau service.

None the less urgent are the needs of those institutions which have been established for the care and education of th defective, delinquent and dependent children of the state: the Orphans' Home at Twin Bridges, the State School for the Deaf and Blind at Boulder, the State Industrial School at Miles City, and the State Vocational School for Girls at Helena. The demands upon these institutions greatly exceed the facilities now provided. The educational system of Montana will be sadly lacking until all these wards of the state are given their rightful opportunity to be educated as far as possible for self-supporting citizenship.

Most serious of all, in the face of the needs above indicated, the state institutions are threatened with a reduction in their present inadequate state income. This reduction is due to the constitutional provision that when the valuation of the real and personal property in the state amounts to six hundred million dollars ($600,000,000), a total already reached, the tax levy for state purposes, unless otherwise voted by the people, shall be reduced from 2½ mills to 2 mills. Out of the present tax levy of 2½ mills the state government, boards and bureaus, the penitentiary, the insane asylum, and the welfare institutions require approximately 1½ mills; the university institutions receive for maintenance approximately 1 mill. As the former group can be operated at this time only with increased cost, it is clear that the funds available from taxation for the state

schools will be greatly reduced unless the people vote otherwise. The reduction in the state income for next year is estimated at $300,000.

The Relief

Relief in this crisis can come only from the people. It can not come from legislative action. For, under the constitution, any increase in the constitutional state tax levy or any bonded indebtedness must be voted by the people.

Hence two laws have been initiated to be voted on in November. (A) No. 18 provides for a maintenance tax for the university institutions. (B) No. 19 provides for a bond issue to erect buildings at all the state educational institutions.

Initiative Measure No. 18
Maintenance Tax Law

This measure provides that each year for the next ten years the levy on all taxable property for state purposes shall be increased to 3½ mills—that is one mill more than the present state tax. The proceeds from one and one-half mills of this levy shall be appropriated by the State Legislature for the maintenance of the university institutions—the State University at Missoula, the State College of Agriculture and Mechanic Arts at Bozeman, the State Normal College at Dillon and the State School of Mines at Butte.

Initiative Measure No. 19
Bond Issue Law

This measure provides for the issuance of state bonds, under the authority of the State Board of Examiners, to the amount of five million dollars ($5,000,000) to draw interest at the rate of not more than 5½ per cent, to be sold at not less than par, to be payable in twenty years, and to be redeemable at any time aften ten years. The proceeds of

these bonds are to be used only for the construction, repair, and equipment of buildings; three million seven hundred and fifty dollars ($3,750,000) at the four university institutions named above, and one million two hundred and fifty thousand dollars ($1,250,000) at the four non-university institutions, also under the direction of the State Board of Education—the State Industrial School at Miles City, the State Vocational School for Girls at Helena, the State Orphans' Home at Twin Bridges, and the State School for the Deaf and Blind at Boulder. This measure carries a state tax of not to exceed 10/12 mill for interest and sinking fund. This tax has been computed at a rate which will pay the interest and principal of these bonds within ten to twenty years.

The immediate result of the passage of Initiative Measure No. 18 will be to increase the state's maintenance funds by one-half mill and to increase the present one-mill appropriation for the university maintenance to 1½ mills. This will afford with the income from the federal government, a conservative sum for the maintenance of the four university institutions and by taking off the pressure upon the state levy for general purposes, will indirectly provide for the growing maintenance needs of the four non-university institutions and of the other state activities.

The immediate result of the passage of Initiative Measure No. 19 will be to supply a reasonable sum for the long postponed and urgent building and equipment needs of all the state educational institutions, both for those in the university and for the four non-university institutions.

No other measures have been proposed which would provide a proper increase in the state revenues whereby the higher and special schools may be kept in effective operation.

The Effect on Taxes Fully Explained

The two proposed measures, No. 18 and No. 19, carry a total increase of the state tax levy of 2⅓ mills, 1½ mills in the university maintenance tax law (No. 18) and 10/12

of a mill in the educational bond law (No. 19). The constitution provides that when the property valuation of the state reaches six hundred million dollars ($600,000,000), the state tax levy shall be reduced from 2½ mills to 2 mills. Since it is certain that this year the property valuation has exceeded six hundred million dollars ($600,000,000), the actual increase in the state tax, provided by Measure No. 18 and No. 19, will be 1 5/6 mills more than that now actually in force.

Some Further Reasons
Measures Are Financially Sound

The plan of a millage tax for the support of the university institutions is now followed in fifteen of the most important states of the West and may be called a standard method in these states where the educational institutions are most successful.Among them are Michigan, Ohio, Indiana, Ilinois. Wisconsin, Minnesota, Nebraska, Colorado, Washington, and Oregon.

The issuance of bonds for the construction of buildings has also been widely employed. The issue of bonds for this purpose is good business, and it is social justice. It is the height of absurdity to make the current revenues of the state pay for capital investments that will serve the people for generations to come. The dividends from these investments will be great, but they will accrue mainly to the future, for the simple reason that they are educational investments. Our sons and daughters will thank us for making these investments, and will pay them gladly—and far more easily by virtue of the training they get in these schools.

Montana Is Losing Money

Montana loses a quarter of a million dollars a year, it is said, through the young people who seek a college education outside the state. The estimate has been made that 250

students a year spending on the average $1000 each are attending the educational institutions outside the state. Some of these go outside for family reasons, but many of them would stay in the state if the institutions were better equipped and supported. Many of them, if not most of them, are attending state-supported schools.

Take the University Institutions Out of Legislative Competition

In order to secure funds the university institutions must now compete before the Legislature with the other interests and undertakings of the state. To most persons this seems unfair to the university institutions and tends to lower their dignity, and limit their efficiency.

The common schools and the high schools do not have to go before the city councils and the county commissioners and compete for support against roads, poor houses, jails, health officers, county deputies, etc. They have their own fixed funds raised for them and not subject to political trading or to competition with other public purposes, which, however meritorious, are often less essential.

These two measures will place the state institutions in the same relation financially to their constituency, the people of the state, that the local schools are in to the people of the district, the town, or the county.

Bring the University Up to the Standard of the Montana Public Schools

The recent survey of the school systems of the United States placed those of Montana in the lead. This was due solely to the excellence of the grade and high schools. The children coming from these schools in increasingly greater numbers should not experience a lowering in standards in passing to the institutions of higher learning. Yet this must result if the people of the state do not support the state schools as the public schools are supported by the communities in which they are situated.

Since January 1, 1920, Custer County has voted more money for a new county high school building, and the Missoula city school district has voted more money for new grade school buildings than any of the university institutions has had for permanent buildings during the last ten years. These examples are not exceptions but are to be found at place after place throughout the state. If the people of the state desire that their children should go to college in Montana, the physical standards of the university must be brought up to the grade of the public schools.

An Opinion Worth Reading
The Efficiency Commission

The Sixteenth Legislative Assembly (1919) created a state efficiency commission to investigate the financial and business policy of the state. The members of this commission were Hon. Frank Eliel of Dillon (chairman), Hon. N. T. Lease of Great Falls and Hon. W. O. Fisk of Hamilton. After visiting all the state educational institutions the commission reported to the Governor:

"The ambitious youth of Montana has a right to demand that the state provide the opportunities and facilities for obtaining higher education. Under present conditions the state is failing to perform, effectively, the duty which it owes to our young manhood and womanhood. Many of our most promising boys and girls belong to families of most limited financial resources. The state will not be fair to the youth of Montana if it fails to place the opportunities for higher education within their reach.

"It is a matter of general observation that many of our young men and women leave this state in seeking their university training. This entails an annual drain of a considerable sum of money from the productive channels of the state. Many of the most competent of these young men and women are lost to the future of Montana, since they take up their life-work elsewhere.

"This condition can not be corrected as long as our edu-

cational institutions are dependent almost entirely upon appropriations for the money necessary, not only for maintenance, but also for the erection of buildings. The revenues of the state are insufficient and can not readily be increased. It will be necessary to go to the people themselves for authority to supply the needed funds.

"The needs (i.e., building and equipment) of the educational institutions may be provided for either by a bond issue or by a special tax to be levied during a definite term of years. Either plan would require the approval of the people. Of the two the former commends itself to this commission as the more desirable.

"This matter is of such a fundamental character, it is so intimately connected with the future welfare of the state that the members of this commission have no hesitancy in giving their full and unqualified endorsement to the proposition of asking the people to authorize the necessary bond issue."

EXTRACT FROM AN ADDRESS BY EDWARD C. ELLIOT, CHANCELLOR OF THE UNIVERSITY OF MONTANA

More than a quarter of a century ago when forward-looking men were engaged in laying the permanent foundations for this commonwealth of Montana, it was foreordained that a system of free public education was to be set up. As an integral part of this system, and in completion of the guarantee of equality of opportunity for all the youth of the state there were created four higher institutions—The State University at Missoula, The State College of Agriculture and Mechanic Arts at Bozeman, The State School of Mines at Butte, and the State Normal College at Dillon.

From simple and modest beginnings these institutions have in their growth and expansion reflected the general progress of the state. In 1916 the four higher state schools were organized as component units of the University of

Montana. The immediate results of the centralized organization were coordination and harmony of educational effort, economy and effectiveness of financial operation, and the elimination of those partisan and provincial influences which for many years have led to disturbing and handicapping controversies.

During the past year there were enrolled in the four University of Montana institutions approximately three thousand students, each seeking with that ambitious foresight, ever characteristic of our western youth, to become fit for service to self and state by liberal education and professional training in law, or forestry, or agriculture, or engineering, or journalism, or business administration, or pharmacy, or teaching. In this connection it is pertinent to call attention to the fact that during the past decade the resident student attendance at the several university institutions has increased several times—at the State University more than four times, at the College of Agriculture and Mechanic Arts nearly twice, and at the Normal College nearly four times. During this period there had been but little increase in buildings and equipment for instructional purposes.

In addition to the teaching of students there has been maintained the Agricultural Experiment Station at Bozeman with its four branch stations at Havre, Moccasin, Huntley, and Corvallis. Through the agricultural extension service no less than sixty thousand people, chiefly of the country regions, have had carried to them through agricultural experts, home demonstration agents, and leaders of boys' and girls' clubs, practical assistance and inspiration of incalculable social and economic benefit to the entire state.

Through the State Bureau of Mines, the services of the expert mining engineers of the State School of Mines have been made available to hundreds of our people. The teachers' service division of the Normal College has continued to stimulate hundreds of teachers to undertake better preparation for their work. It is more than a mere figure of speech

to say that the campus of the university now includes the entire area of the State of Montana.

Three forces, however, have recently operated to neutralize the gains from the improved administrative machinery for the university, and to create a crisis which today threatens the very existence of the university and its works. This crisis may be easily and briefly described.

Since the time of their establishment state funds provided for the support and the material expansion and equipment of the higher educational institutions have been wholly inadequate. In making this statement I am not overlooking the outstanding fact that our people have had, during this period of our phenomenal development from pioneer beginnings, to bear many large public burdens. Higher education was but one among many essential public enterprises demanding the attention of legislatures and the taxpayer. Nevertheless, the insufficiency of past support can not be ignored. While the state, during the decade preceding the war enjoyed unprecedented growth in population and in the development of her great natural resources, it is fair to remember that during this same time the state made no provision whatever for buildings for educational purposes at any of the educational institutions. And what is more to the point during these years these institutions doubled and trebled in student attendance.

The appropriations from state taxation for the maintenance of this comprehensive and manifold undertaking during the fiscal year amounted approximately to the revenue equivalent of one mill. The university expense can not now be met from the limited income.

The prime question before the people of Montana today is whether or not the university enterprise shall be maintained in a manner that will enable it to serve as it should the interests of a progressive, productive state; or whether Montana, which has recently been awarded first rank among all the states of the Union for its support of elementary and secondary schools, shall follow a narrow and destructive

policy towards its university. Shall the state provide more revenue or be content with less university?

Chief among the disastrous results of the Great War is the world-wide diminished purchasing power of money. Here at least is a case where familiarity had not bred contempt.

Keeping in mind the insufficient pre-war resources, it is but natural that the post-war depreciated dollar has become a real menace to the life of our educational institutions. The appropriations made by the last Legislature were based upon estimates made during the summer months of 1918 when the tide of victory ebbed and flowed, and when there was a recognized necessity for economy in public as well as private affairs if we were to furnish the means for the victory for which we were struggling.

Will there be any wonder or resentment on the part of rational men when I say that the university would have been unable to keep its doors open to students and to meet the demands for service from the citizens of the state this year on the funds appropriated? I estimate an operating deficit of about one hundred and fifty thousand dollars at the end of the current fiscal year. This deficit has been offset by withholding practically all of the appropriations for buildings made by the Sixteenth Legislature.

The germ of the financial crisis of the university is to be found in the fact that today the State of Montana is not raising sufficient revenue to meet its governmental and institutional needs. Our present state tax of two and one-half mills is the lowest state tax of any of the neighboring northwestern states. The difficulty in which we find ourselves is compounded by the fact that under the constitution the state tax will next year be automatically reduced from two and one-half mills to two mills. Instead of increased revenue we are faced by the prospect of increased poverty.

It is the firm conviction of myself and those associated with me in the administration of the university in its several institutions, divisions and departments that we were obligated to the people of the state to inform them of the grave

situation in which this important educational enterprise finds itself. The people, and the people alone, have it within their power to decide the issue at stake. Therefore we have proposed and have presented through the initiative procedure, two measures carefully designated to afford relief. The first of these, Initiative Measure No. 18, provides for a state tax of three and one-half mills—one mill more than the present tax—proceeds of one and one-half mills of which shall be appropriated by the Legislature for the operating support of the university institutions. The second measure, Initiative Measure No. 19, provides for the issuance of state bonds to the amount of five millions of dollars, the proceeds of three-fourths ($3,750,000) of which shall be utilized for buildings and equipment for the university institutions, and the remainder ($1,250,000) to be devoted to buildings at the several state institutions for defective (Twin Bridges), dependent (Boulder), and delinquent (Helena and Miles City) children.

The passage of these measures will give the university a chance to do its work in an effective manner, and will secure to the unfortunate children, who have become the special wards of the state, an opportunity to which they are justly entitled.

EXTRACT FROM FIFTEENTH BIENNIAL REPORT OF THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

Need of Maintenance by Special Tax Levy

The $655,000 recommended for the first fiscal year and the $720,000 for the second, may be provided either by appropriation from the general revenue, or from the proceeds of a special tax levy. We believe that the latter is the better method.

It is generally agreed that the plan of relying on appropriations from the general revenue, made biennially, is open to grave objections. A university, of all institutions, should be managed reasonably and prudently, on the basis of plans

deliberately decided upon, providing for an orderly development stretching over a series of years. Such conduct of affairs is impossible under the system of biennial appropriations. What will be done by legislatures and governors two, four and six years in the future can not possibly be foreseen. This situation compels the regents to pursue a "hand to mouth" policy, inconsistent with the interests of the university, and destructive either of prudent or economical management.

The entanglement of the university in factional politics constitutes, if possible, a graver objection to the system of biennial appropriations for its maintenance. The officers of the university should not be called upon to lobby, however important the end to be attained or unexecptionable the methods employed. Men engaged in educational service should be free to devote their best energies to their high functions. Above all, the university itself should be so supported as to be wholly independent of partisan caprice.

The plan of supporting the university from the proceeds of a special statutory tax has been adopted by practically all the strongest state universities of the country, and we recommend that the present legislature employ this method of providing for the support of the University of Texas.

In determining the rate of such a special tax, two factors are to be borne in mind, the assessed valuation, and the reduction for cost of collection and unpaid taxes. For the current fiscal year the state's assessed valuation amounts to $2,532,710,050. The estimates of the Comptroller, based upon the experience of many years, is that only 80 per cent of any tax levy reaches the state treasury. Bearing these two facts in mind the rate that will produce the average of the amounts recommended for the two years is 3.4 cents on the $100 of assessed values. The gross yield of the tax would be $861,121.41. Deducting 20 per cent for cost of collection and unpaid taxes, the net yield would be $688,-897.13. The assessed values could not be expected to increase sufficiently to provide the sum recommended for the second year; the values are lower this year than last. But

the regents would have the advantage of knowing what to expect for that and subsequent years.

The following table, taken by permission, from a bulletin of the Hogg Organization, will show that the rate mentioned is low in comparison with that of other state universities, below which the University of Texas should not stand.

Institution	Rate	Additional Appropriations by Legislatures
California	3	$ 301,783.00
Colorado	8	127,869.00
Illinois	10	.....
Michigan	4.75	74,000.00
Minnesota	2.30	1,060,377.00
Nebraska	10	110,000.00
North Dakota	5.33+	222,817.00
Wisconsin	2.85+	444,135.00
Average	5.78	334,426.00

It will be noted that the rates shown in the tables have proved too low in the states enumerated, with the exception of Illinois. All the other universities mentioned have had to appeal biennially to the state legislatures for supplementary appropriations, which they have received in the amounts shown in the table. Such a situation is unfortunate, and should not be allowed to exist in Texas. The removal of the State University from the scramble for appropriations is one of the main purposes of a special tax, and this purpose is in large measure defeated in the states mentioned. The mistake of these other states should not be repeated in Texas. It can be avoided by means of the moderate tax mentioned. With any rate lower than 3.3 cents, the number of students in attendance by 1915 will require an appeal to the Thirty-fourth Legislature for supplementary appropriations or for an increase in the tax rate. We believe that the rate recommended is a small price to pay for a permanent removal of the university from the domain of political contention.

SIXTEENTH BIENNIAL REPORT

Recommendations in Detail for the Sessions of 1915-16 and 1916-17

Running Expenses

Provisions for a sure and adequate annual income for running expenses is the most serious problem that the authorities of a university must face. Scholarly teachers, books in sufficient numbers, and modern laboratory equipment for a large and growing educational institution cost money. And this money must be expended, particularly that which is paid out for salaries, without giving evidence of immediate tangible results. Governors and legislatures naturally like to leave evidence in brick and mortar of the public money they appropriate. The fact that appropriations are easier to secure for buildings than for running expenses is borne out by the testimony of governing boards of most state universities. The money that goes for salaries seems to disappear, while the buildings remain monuments to the generosity of those who allow the appropriations.

Of the two, men to train the minds of Texas boys and girls or stately buildings in which to house them, it is evident, on a moment's thought, that teachers are the first essentials. Classrooms, so long as they give adequate protection from heat and rain and cold, may be located in pine shacks, without great detriment to the substantial progress of earnest students. For stately buildings worthy of Texas and its university, we can, if it is imperative, wait; highly trained instructors in sufficient numbers to care for the youths of this state who desire a university education, we cannot do without. We therefore request, first, that the legislature grant from the general revenue, or by a special tax levy, sufficient support to maintain properly a competent faculty, as well as to provide necessary books, laboratory supplies, and incidentals. We earnestly urge the legislature to grant the sums asked for in the budget recommended, which was drawn up on a very economical basis.

Four years have elapsed since the Main University has been permitted to use any of its income from lands or other sources for erecting permanent buildings. Since that time the attendance at the university has been increased by nearly one thousand students; and, for absolutely necessary class-rooms, we have been forced to erect temporary pine shacks on the campus. About one-fourth of the work of the University is now conducted in these cheap temporary structures, containing a floor space of 58,774 square feet. These twelve buildings are designated and used for the following purposes: A Hall, Agriculture and Botany; C Hall, Chemical Laboratory; D E Hall, School of Domestic Economy; F Hall, University Commons; G Hall, class-rooms; H Hall, Department of Education, School of Business Training; I Hall, Department of Extension; J Hall, School of Journalism, School of Institutional History; K Hall, class-rooms, including large lecture hall; L Hall, laboratories for Schools of Zoology and Geology; M Hall, School of Manual Training; N Hall, Woman's Gymnasium.

Need of Maintenance by Special Tax Levy

The amounts recommended for the biennium may be provided either by appropriation from the general revenue, or from the proceeds of a special tax levy. We believe that the latter is the better method.

It is generally agreed that the plan of relying on appropriations from the general revenue, made biennially, is open to grave objections. A university, of all institutions, should be managed reasonably and prudently, on the basis of plans deliberately decided upon, providing for an orderly development stretching over a series of years. Such conduct of affairs is impossible under the system of biennial appropriations. What will be done by legislatures and governors, two, four, and six years in the future can not possibly be foreseen. This situation compels the regents to pursue a "hand-to-mouth" policy, inconsistent with the interests of the university, and destructive either of prudent or of economical management.

The entanglement of the university in factional politics constitutes, if possible, a graver objection to the system of biennial appropriations for its maintenance. The officers of the university should not be called upon to lobby, however important the end to be attained or unexceptionable the methods employed. Men engaged in educational service should be free to devote their best energies to their high functions. Above all, the university itself should be so supported as to be wholly independent of partisan caprice.

The plan of supporting the university from the proceeds of a special statutory tax has been adopted by practically all the strongest state universities of the country, and we recommend that the present Legislature employ this method of providing for the support of the University of Texas.

In determining the rate of such a special tax two factors are to be borne in mind: the assessed valuation and the reduction for cost of collection and unpaid taxes. For the current fiscal year, the state's assessed valuation amounts to $2,686,129,989. The estimates of the Comptroller, based upon the experience of many years, is that only 80 per cent of any tax levy reaches the state treasury. These two facts being borne in mind, the rates that will produce the amounts recommended for the two years, respectively, are 3.33 cents and 3.95 cents on the $100 of assessed values. The gross yield of the tax would be $894,481.28 and $1,061,071.34. Twenty per cent for cost of collection and unpaid taxes being deducted, the net yield would be $715,585.03 and $848,857.02.

Buildings

Unless the work of the university is to be very seriously hampered, the whole income that can, under the constitution, be expended for buildings must be used for that purpose. Enlightened public opinion in Texas will not for many years allow the state's highest educational institution, the capstone of its public school system, the University of Texas, to continue being housed in rough pine box houses. These temporary houses should be replaced, at the earliest possible

time, by permanent fireproof buildings, and should be built of sufficient size to accommodate a growing student body for at least the next ten years. Probably the first buildings that should be erected for the university are not accommodations for education classrooms and laboratories, as urgent as the need of them appears to be. The most crying need is for the immediate erection of dormitories in which the young women of the university may be properly cared for. During the session of 1913-14, 740 young women attended the university. At least 500 of these should have been cared for by the institution, instead of being forced to hunt throughout Austin for private houses that would take them as roomers and boarders. A scarcely less urgent need is felt for suitable dormitories for young men. Such dormitories should be provided sufficient to accommodate not less than 1500 persons. The following fireprof buildings should be erected as soon as the Legislature can provide the necessary funds:

Five dormitories for girls, $50,000 each	$ 250,000
Education and practice School	175,000
Chemistry Building	150,000
Biological Sciences Building	150,000
Domestic Science Building	125,000
Dining Hall and Kitchen	100,000
Fifteen dormitories for men, $50,000 each	750,000
Total	$1,700,000

Such an expenditure would exhaust the available university fund for the next eight years. This fund, coming as it does from land leases, interest on land sales, interest on bonds, matriculation fees, etc., should be left by the Legislature as a sacred trust for the purpose of caring for the building needs of the institution. The amount necessary for these absolutely pressing building needs should be provided by bonds issued on the university's permanent income. Such a provision is possible by a simple act of the Legislature, and the act could be so framed that the bonds would never become a charge on the people. The sale of bonds offers one

of the fairest means of providing money for buildings, as it distributes the cost of the buildings more equitably over the period during which they are used. It is much fairer that all the people who enjoy the buildings for thirty years should share in their cost, rather than that their cost should be borne only by the people living during the one year preceding their construction. Only by this means can the demand for permanent fireproof buildings in the State Democratic platform be satisfied, so far as the university is concerned.

Other buildings are necessary to have a "university of the first class," and should be provided as early as possible, namely: a medical laboratory building, physics building, gymnasium building, museum of Texas history and products, museum of natural sciences, administration building, engineering building, and a building for fine arts. The urgent need of these buildings must be apparent to anyone who will visit our campus and consider thoughtfully the difficulties under which we are laboring.

On more than one occasion state Democratic platforms have recommended the removal of the inhibition existing against the university only, among all the state institutions, prohibiting making appropriations out of the general revenue for the erection of buildings. Under the present constitution, if the university is swept by a fire while without the protection of adequate insurance, the situation would be appalling. The men who framed the present constitution could not possibly foresee the necessities of a large and growing university; and it certainly was never the intention of the founders so to limit the income of the university, originally most generously provided, or that there would ever be serious danger of its work being stopped. Under the present condition, such danger exists, and we should cease blinding ourselves to the situation. Either the state university of one of the largest commonwealths in the Union must continue its existence, housed in utterly unsuitable buildings, in imminent danger of being stopped altogether by fire, or the Legislature and the people must remove from

the constitution the bar to our progress. If this were done and an adequate special tax voted, then the university would be free from the situation that stifles its growth, impedes its progress, and absorbs the energy of the men who have been appointed to guide its destinies educationally rather than to be solicitors of funds for its daily existence.

How inadequately the University of Texas is supplied with buildings, both in Austin and in Galveston, appears from the following table, which is based upon the same data as the preceding ones. The table gives the present investment, by the states mentioned, in plants for their higher educational institutions.

TABLE V.—VALUE OF PLANT*

California	$9,865,000
Minnesota	8,531,000
Iowa	7,355,000
Michigan	6,885,000
Ohio	6,714,000
Wisconsin	6,444,000
Illinois	3,896,000
Colorado	3,560,000
Kansas	3,412,000
Missouri	2,880,000
Indiana	2,399,000
Nebraska	2,289,000
North Dakota	1,626,000
Average	5,066,000
Texas	1,644,000

The amount credited to Texas represents the university's investments in buildings, a disproportionately small amount, considering the institution's relatively large student body—according to the best estimates, more than 2400 for the current regular session, and from 4000 to 4500 if summer school and correspondence students are included

The inadequacy of the university's buildings and campus may also be judged by the following table, which gives the value of the plants of a number of universities, divided by the number of students in the regular session, for the year 1913:

TABLE VI.—Value of Plant per Student in Long Session

Minnesota	$2,305
California	1,833
North Dakota	1,760
Wisconsin	1,521
Ohio	1,316
Iowa	1,279
Colorado	1,210
Missouri	1,132
Michigan	1,069
Kansas	903
Illinois	831
Nebraska	690
Indiana	669
Average	1,257
TEXAS†	695

*For University and A. and M. College combined.
†For University of Texas only.

EIGHTEENTH BIENNIAL REPORT

It is humanly impossible to forecast for two years, or even one, many hundred items of expenditure, especially when a majority of those items are concerned with the salaries of the members of a staff that is continually shifting and changing. Under the circumstances, substitutions and changes in the individual appropriations are absolutely necessary. Positions and salaries are fixed with reference to the attainments and abilities of the individuals, and must vary accordingly. Only in exceptional cases is the university able to fill a vacancy through the appointment of a man whose training and achievements warrant precisely the same rank and salary as those of his predecessor.

Lack of elasticity in the appropriation for the current biennium has forced the Board to expend for operating expenses approximately $100,000.00 out of the available fund, that might otherwise have been saved for permanent improvements. The difficulties of administration which have been experienced during this biennium have, of course, been somewhat abnormal; yet, at the same time, the probabilities

are that, as soon as settled conditions once more obtain throughout the country, the stimulus to education which has been given by the policies of the War Department will greatly increase the attendance at the University, and make the administrative problems of the next biennium more difficult than any we have yet experienced.

The matter of conserving the available fund of the university for permanent improvemnts is one of prime importance at the present time. Definite steps must be taken in the near future looking toward the provision of an adequate physical plant for the institution. Fully one-fourth of the work of the University is now being conducted in temporary pine shacks. The Main Building, in which a majority of the classes are held, is daily occupied at a risk of life to the students that can not be exaggerated. The university auditorium has been condemned by the State Fire Marshal, and has been closed for the past two years. Unless the work of the University is to be seriously hampered, stately fireproof buildings worthy of Texas and of its university must soon be provided. The urgent need of such permanent buildings must be apparent to any one who visits the campus and thoughtfully considers the difficulties under which the institution is laboring.

The board has carefully canvassed the needs of the university for additional buildings and grounds, and has reached the conclusion that, for the proper conduct of the institution, upon the basis of the present attendance in Austin and in Galveston, the expenditure of at least $5,000,000.00 is necessary to provide an adequate physical plant. There is perhaps no other institution in the United States that is undertaking to do the amount of work that is being done by the University with an equipment so far below its actual needs. The effect of this inadequate equipment is two-fold: (1) It seriously hampers both students and faculty in the spirit with which their work is done; (2) it retards the growth of the University in point of numbers. Annually the State of Texas sends to universities and colleges of other states more than 3,000 young men and women, many of whom would be attracted to the University of Texas

if an adequate plant were provided. Numbers of individual instances have been brought to the attention of the Board where parents, for reasons of sentiment, advantageous association, or state pride, have desired to send their sons and daughters to the University, but have hesitated to do so on account of the lack of proper facilities here, particularly in the way of adequate residential quarters. The Board believes that with the expenditure before indicated, running over a brief course of years, the disadvantages under which the university now labors will be largely eliminated.

The inserted table, based upon figures contained in the United States Bureau of Education Bulletin 1917, No. 55, *Statistics of State Universities and State Colleges*, and in the United States Bureau of the Census bulletins *Estimates of Population of the United States, 1910-1916*, and *estimated Valuation of National Wealth, 1850-1912*, will reveal the relative economy with which the University of Texas is being conducted. In comparison with other states, Texas spends very little for higher education, either per inhabitant, per unit of wealth, or per long-session student. The table also shows that the number of students per teacher is too great for efficiency, and must be lowered if the boys and girls attending our state institutions of higher learning are to receive the advantages enjoyed by the no more worthy boys and girls of other states. How inadequately the University of Texas is supplied with buildings in indicated by a comparison of the value of other state university plants with that of our own.

EXTRACTS FROM THE REPORT OF THE CENTRAL INVESTIGATING COMMITTEE OF THE THIRTY-FIFTH LEGISLATURE

University of Texas

Physical Plant

The physical plant of the University of Texas consists of forty acres of land in the city of Austin, valued at

$500,000; and nine brick buildings from one to five stories in height and twelve temporary frame buildings, all of which are inventoried at $1,319,901.79, and to which inventory is to be added a balance of $77,908.85 on the new Education Building estimated to cost $250,000, practically all of which cost has been paid; and which inventory of buildings includes an equity in the remodeling of the Old Blind Institute, now being used for the School of Military Aeronautics.

Auditorium

The auditorium on the third floor in the Main Building has been condemned by the State Fire Marshal as unsafe for use. It has a seating capacity of about 1750. For more than a year the room has been closed and is of no value to the university. The fire marshal questions the advisability of endeavoring to use the auritorium through the construction of fire escapes leading from each of the windows to the ground.

Shacks

The so-called "shacks," of one-story frame construction for class work are really serviceable beyond expectation, and while it is regrettable that the highest educational institution in the state should find it necessary to employ such structures, it seems likely they will serve a valuable purpose, in addition to the accommodation provided, in making possible practical studies in the better arrangement of permanent buildings, particularly with reference to laboratory work.

Policy of Administration

The views of institutional needs entertained by the administrative head and the governing body, naturally will differ from the views of the legislative body, resulting, as in

the University of Texas, in there being a legislative budget setting out in detail the items of maintenance, and a budget of the board of regents covering like items as well as other items for expansion not provided for in the legislative appropriations, and upon the policy of which the Legislature may or may not have expressed itself. The possession of independent or available funds, it will thus be seen, represents a constant opportunity and incentive to institutional expansion, carrying the activities and expenditures of the institution beyond the limit of legislative sanction, and not infrequently beyond popular needs and public approval. The freedom with which the university has exercised its ability to extend the scope of its efforts and increase its expenses has brought upon it more or less of criticism.

The need would seem to be for a clearer conception by the university administration, and a clearer expression by the people of the state, of the scope of educational work legitimately to devolve upon this institution and the measure of responsiveness of such work to the popular need, to the end that it may fulfill the purpose for which created, that of developing a university of the first class. Such activities and policy having once been clearly defined there would seem to be comparatively little reason or opportunity for criticizing the expenditures of the university, made in the carefully directed effort to effectuate this controlling purpose.

In this connection, the committee feels justified in directing attention to the fact that had the Legislature, recognizing the limitation on appropriations from the general revenues for university buildings, inaugurated the policy of appropriating the income from the permanent university endowment, as the constitution permits, for the specific and only purpose of constituting a fund from which to construct permanent buildings, the university might now possess a building equipment of considerable value. The constitution expressly provides that the income from the permanent endowment shall be subject to appropriation by the

Legislature for the purposes of establishing as well as supporting the university. The Legislature must bear its part of the responsibility for the lack of building equipment at the university, for which it was possible to provide. The university management, however, must likewise bear its share of the responsibility for failing to outline and advance such a building program, and for not making it possible to carry out such a program by the exercise of rigid economy in expenditures for maintenance purposes, instead of being led into the policy of supplementing legislative appropriations from the general revenue for maintenance purposes by moneys taken from its available income.

The committee finds that the policy permitted in some institutions, and to some extent permitted heretofore in the University of Texas, of granting leave of absence to members of the faculty for varying periods of time on full pay, or part pay, has been discontinued, and no member of the faculty has been granted leave under such conditions since the beginning of the present school year. The practice, also, which caused some criticism of permitting members of the university faculty, when delivering lectures and addresses to clubs, organizations, schools, or teachers' institutes, accepting special compensation, has been discontinued, and no one is now supposed to accept such benefits. The committee is confident from assurances of the university administration that such policies will not be resumed.

Retirement on Reduced Salary

The committee in its study of conditions calculated to inure to the advantage of the university has been led to inquire into the advisability of some plan looking to the retirement of members of the faculty on reduced salaries after they have given to the institution many years of faithful service and have reached that age at which the capacity to serve the institution has been appreciably diminished. It is unquestionable that the establishment of such policy would be calculated to increase loyalty, create a feeling of security, lessen the loss of the service of capable men, and

tend materially to strengthen the interest in and permanency of faculty organization. Every great institution must solve this problem at some time, and the committee believes that the time has come in the history of the University of Texas when the board of regents should seriously give consideration to such a policy. A discussion of the details of plans calculated to accomplish the purpose would seem scarcely within the province of this inquiry, the committee contenting itself with commending the question to the board of regents and to the Legislature.

Building Requirements

The administrative authorities of the Agricultural and Mechanical College have outlined their estimate of the needs of that institution for buildings covering the next ten years, and places such estimate for that period at approximately $2,500,000, and this, too, in the expectancy of the State adopting the policy of junior agricultural schools teaching agriculture and animal husbandry, which will in some measure restrict the ratio of increased attendance at the College. To this sum must be added an estimate for the decennium of approximately $500,000 to $750,000, for permanent improvements at the Prairie View Normal and Industrial College for colored youths.

The committee does not believe this estimate at all excessive; and further believes the general policy pursued heretofore of erecting buildings especially designed for departmental service, preferable to the construction of fewer and larger structures intended to accommodate unrelated departments is calculated to secure more advantageous results.

In the State Agricultural and Mechanical College, Texas may justly claim possession of one of the most progressive colleges devoted to vocational instruction in the Union. It is neither as large, nor is its equipment as good, as a number of similar institutions in other states, but the spirit and

policy, it may be confidently asserted, are second to no college in the country covering the same field.

(Signed) LEONARD TILLOTSON,
Chairman.
OSCAR DAVIS,
House Subcommittee No. 9.
I. E. CLARK,
Chairman, Senate Subcommittee No. 9.

COLLEGE OF INDUSTRIAL ARTS

Inadequate Dormitory Facilities

We found in course of construction two fine dormitories, but these will still fall short of caring for the student body by at least three hundred. At present, six hundred girls are cared for outside the dormitories, and while the school and city authorities co-operate in every way, and the splendid citizenship of Denton help all they can, this condition ought to be remedied as soon as the public purse will permit.

The average cost per student to the State is lessening, having come from $1.16 per capita per day in 1913 to 97.76 cents per day in 1916-17.

There was but one salary increase for teachers for the year 1917-18. A teacher who had been absent studying for a year at her own expense, was allowed a raise of $200 per year upon her return, her present salary being $1,600.

The school had 186 pupils its first year, 1903-04. This year it has about 1,250. Then it had one small administration building; now it has two splendid building for instruction, and with the two now being built, four large dormitories, besides other buildings for laundry, dairy, poultry, photography, hospital, etc.

Salaries Too Low

Your committee believes the salaries of the teachers too low, and states that we lost to other schools last year ten

trained teachers we could ill afford to lose; but they were offered more pay than we gave them or could give them under our appropriation. Twelve teachers get less than $1,200 per year, and only one gets more than $2,000 per year. Your committee strenuously opposes extravagance, but affirms that the best teachers in the world in their special lines are not too good for Texas girls. It is worth while to pay a good salary to a teacher who can so teach a graduating class that every girl can make her own graduating dress, beautiful dresses, too, and make it so that its total cost is less than $5.00. It is worth while to pay a teacher who can teach a girl to cook so that her husband goes to his work fit for it, and her children can grow up fit physical citizens of Texas. A remarkable showing of a school, not one of whose graduates has been a party to a divorce suit, or has brought into the world a defective child.

Respectfully submitted,

(Signed) R. F. *Spencer.*
Chairman, Subcommittee No. 1.
O. S. LATTIMORE,
Chairman, Senate Subcommittee No. 1.

Educational Council Recommended

In order that the work and development of each institution may be directed along the lines assigned by law and to avoid the possibility of needless duplication, and expenditure, and friction, the Committee would suggest the creation by statute of an educational council to be composed of one member of each of the governing boards and one member of each of the faculties, both to be appointed by the president of each board, of the University of Texas, the Agricultural and Mechanical College of Texas, the College of Industrial Arts, and the State Normal Schools, together with the State Superintendent of Public Instruction, nine in number. The specific duties of such a council to be:

(a) To consider all questions relating to possible duplication of educational work, both in extension work and the major lines of instruction of the institutions; and

(b) To perform the general duties of a budget committee in the consideration, adjustment and recommendation to the legislature of the needs of the several institutions. No system of state education, and no state policy for the advancement of education, either in the common schools or in the colleges and the university, is possible of the most useful development unless it recognizes every institution as a necessary and integral part of the one indivisible whole, and provides for intelligent co-operation. The policy heretofore permitted of leaving each institution to besiege successive legislatures with separate demands based upon independent plans of expansion, and conceived in absolute ignorance of the popular need, as expressed in the growth and demands upon the educational service of other institutions, is as wasteful in the useless expenditure of public funds and misdirected effort, certain to lead to the identification of the educational institutions of the state with political activities, as it is inexcusable in an intelligent and public spirited citizenship to tolerate such a system.

With the adoption of the proposed constitutional amendment and the authorization by the legislature of a tax levy to be equitably allotted by statute among the institutions named; and with statutory authorization for the employment of the permanent endowment of each institution as the basis for a fund with which to provide permanent buildings, such a central council would be relieved of much of the responsibility for consideration of the financial requirement of the institutions, inasmuch as the provisions indicated would allow for a building program and for a minimum maintenance income for each class of institutions. The danger, however, would be that without some controlling agency which would co-ordinate the growing needs of the institutions, there might develop the same incentive as heretofore for the different institutions to appeal to the legislature for appropriations supplementing the allotted income from the tax levy. By submitting the needs of each institution, in excess of the tax levy, to such a council, acting as a budget committee, would effectively prevent the recurrence of the condition which it is now sought to overcome

through the adoption of this amendment and the authorization of a tax levy for maintenance purposes, and would harmonize the work of the different institutions in their respective fields of educational activity. Without some such agency as will be provided through this council, there would be constant danger of each successive legislature readjusting the allotment under the tax levy and thus disturbing the harmonious relationship of the various institutions. It might be that a limitation on the time in which such change in the division of the amount of the tax levy should be made would best be incoporated in the constitution, but the committee does not feel this to be the better policy, preferring the more elastic plan of leaving not only the authorization of the tax levy, but the division of its proceeds and the care of all additional needs to the legislature. The members of such a council might confidently be relied upon to make such an equitable recommendation for such funds as would be required to meet the needs of the different institutions from year to year in excess of the allotment under the tax levy. In this way a building program would be provided for the University and the Agricultural and Mechanical College, and maintenance would be provided for the university and branches, the Agricultural and Mechanical College and branches, the College of Industrial Arts, the Normal Schools, and the Prairie View Normal, and all these institutions will be kept constantly in harmonious relationship, each supplementing in its sphere of activity the work of the others, preventing unnecessary duplication in educational work, and preventing the unnecessary expenditure of funds in the undue expansion of either of the institutions comprising a part of the system of higher education of the state.

Future of the University and of its Constitutional Branches

Under legislative interpretation and the policy heretofore adhered to, it is too apparent for discussion that the present constitutional provisions controlling the university and its branches are hampering the development of both the

University and the Agricultural and Mechanical College in a degree that should not be permitted to continue longer than is necessary to amend the constitution. While legislative policy has construed the constitutional limitation on appropriations from the public revenues as restricted to the prohibition against provision for permanent buildings at the University in Austin, it can be considered little more than a legal fiction that permits appropriations for the Agricultural and Mechanical College, the Prairie View Normal, and other constitutional branches of the University. Not alone adequate, but intelligently controlled and utilized, financial provision is essential to the development and maintenance of any educational institution. The permanent university endowment must be construed as belonging in part to those institutions constitutionally declared to be a part of that institution, and this fund will never, under conditions of public sentiment respecting the independent status and organization of the University and the Agricultural and Mechanical College, be utilized in accordance with a commendable business policy, nor will it be possible for it to contribute in a material way to the advantage of the institutions considered until the equity of each has been made available for separate control and use and it is readily apparent that, until such action is taken, there must be a spirit of apprehensive solicitousness among the partial friends of each institution interested concerning each act and policy of the main institution in the control and individual utilization of the benefits of the fund, calculated to create discord where co-operation is demanded by every requirement of service to the public. In justice to itself and the position of popular esteem it must establish and maintain to fulfill its mission of public usefulness, the University should be freed from all suspicion that any influence connected or identified with its direction is opposed to the early and satisfactory settlement of the question involved in the interest of its branches in the permanent university endowment. Admitting without discussion, that the policy of the state in creating institutions independent

in administrative organization and charged with distinct educational activities, rendering them independent centers of popular favor, may not have been the wiser plan from the standpoint of an ideal system of higher education in which the university should be the one head and all other educational provisions by the state parts of an intelligently articulated whole, the situation confronting us now is that the state has, through its establishment of different classes of institutions, such as the Agricultural and Mechanical College, the College of Industrial Arts, and the system of state normal schools, committed itself to the policy of separate identity and direction of the institutions created to perform these different educational functions. Our task, therefore, is plain. We must take these more or less loosely organized institutions, free them from such limitations under the organic law as prevent development of an intelligent policy for educational progress, and correlate them in as harmonious a system as it may be possible to establish, capable of rendering the maximum of service to the people. This, in the judgment of the committee, can only be accomplished through a change in the constitution, and in this view we recommend the submission to the people by the next regular session of the Legislature of the accompanying proposed amendment to the constitution.

In brief, this proposed constitutional amendment would contain the following specific provisions:

(1) The constitutional identity and location of each of the following institutions, namely, the University, the Medical College, and the School of Mines as branches of that institution; and the Agricultural and Mechanical College, the College of Industrial Arts, and the Prairie View Normal and Industrial College.

(2) The general character of educational work of each institution.

(3) For the separation of the Agricultural and Mechanical College and the Prairie View Normal as branches of the University of Texas; and for the sale of the university lands and division of the permanent university endowment,

two-thirds to the University and one-third to the Agricultural and Mechanical College, from which one-third of the claims of the Prairie View Normal shall be cared for as may be provided by law.

(4) That the respective parts of the permanent endowment allotted to each institution become the permanent fund of each, to be invested as authorized by law in bonds having the taxing power for their security and redemption.

The committee indulges the belief that the adoption of such an amendment to the constitution, supplemented by judicious statutory enactment, would give to Texas something in the nature of a definite, as well as comprehensive, state educational policy, reasonably correlated and coordinated to meet the requirements of higher education and vocational training.

Disadvantages in Handling Land Endowment

The endowment of the University, splendid as it is in its possibilities for the development of the institution and its branches, is yet, under the constitution, of comparatively small practical value as an asset in the proper equipment and development of the university. While it is probable that a policy rigidly adhered to by the board of regents, setting aside the available fund represented in the income from the permanent endowment would have resulted by this time in the construction of a considerable number of modern buildings answering the requirements of the institution, such policy has not been uniformly observed; and in view of the normal growth and general conditions which have prevailed and are likely to continue to prevail in the advancement of the institution, this income may not be relied upon to provide even in reasonable part for the building needs of the Main University, to say nothing of the claims of its constitutional branches. This endowment, consisting mainly of 2,079,520 acres of land, now yields, under the control of the board of regents, through its state land agent, an annual income estimated, on the basis of existing leases,

to be for the year 1918, $195,360.88. All of this revenue is used by the Main University, none of it going to the other constitutional branches of the institution.

Proceeds from Sale of Lands Needed for Building Purposes

The constitutional limitation strictly construed in the legislative policy of the state to prohibit appropriations for the construction of permanent buildings at the Main University, while sanctioning more or less liberal provisions for appropriations for the constitutional branches of the University, creates a condition which may not be much longer permitted, if the public expectation of the usefulness of the institution is to be met. The popular sentiment is, that, with an endowment of the proportions of that possessed by the University, some practicable policy should be established by which this endowment may be utilized as the basis for securing the construction of necessary permanent buildings and permanent improvements not only of the Main University but of its constitutional branches, relieving the state to some extent at least of the necessity of making provisions for such improvements by appropriations from the general revenues of the state.

Salaries

The salaries of the faculty of the Agricultural and Mechanical College are comparatively low, the average salary for the entire college faculty being approximately $2000; and where work is done in the summer school for short periods, no extra compensation is allowed. The last appropriation bill carried an item for salary readjustments for the college of $10,000, which was used to add to the pay of those receiving the smaller salaries, and being so distributed that the increase was from $100 to $300, only one or two receiving the latter sum. It is probably true that the college loses a larger percentage of its teaching force each year by resignation than any other institution

in the state, due, it is claimed, to the active demand for capable instructors in vocational studies and the salaries paid being insufficient to hold them, the unsatisfactory housing conditions being a contributing cause.

Need of More Land

The college has 3000 acres of land, but to carry on its work in agriculture in connection with the state experiment station, and to maintain the live stock essential to proper instruction in animal husbandry, it will need more territory.

Building Requirements

The administrative authorities of the Agricultural and Mechanical College have outlined their estimate of the needs of state institution for buildings covering the next ten years, and places such estimate for that period at approximately $2,500,000, and this, too, in the expectancy of the state adopting the policy of junior agricultural schools teaching agriculture and animal husbandry, which will in some measure restrict the ratio of increased attendance at the college To this sum must be added an estimate for the decennium approximately $500,000 to $750,000, for permanent improvements at the Prairie View Normal and Industrial College for colored youths.

The committee does not believe this estimate at all excessive; and further believes the general policy pursued heretofore of erecting buildings especially designed for departmental service, preferable to the construction of fewer and larger structures intended to accommodate unrelated departments is calculated to secure more advantageous results

In the State Agricultural and Mechanical College, Texas may justly claim possession of one of the most progressive colleges devoted to vocational instruction in the Union. It is neither as large, nor is its equipment as good, as a number of similar institutions in other states, but the spirit and

policy, it may be confidently asserted, are second to no college in the country covering the same field.

(Signed) LEONARD TILOTSON, Chairman.
OSCAR DAVIS, Chairman,
House Subcommittee No. 9.
I. E. CLARK, Chairman,
Senate Subcommittee No. 9.

COPY OF THE COMMITTE REPORT IN REFERENCE TO A CONSTITUTIONAL AMENDMENT PROPOSED BY THE LEGISLATURE IN 1913

Committee Room, Austin, Texas.
February 8, 1913.

Hon. Chester H. Terrell, Speaker of the House of Representatives.

Sir: Your Committee on Constitutional Amendments having appointed me to make a full report on House Joint Resolution No. 18, proposing and submitting to a vote of the people of Texas an amendment to Sections 49 and 52 of Article 3, of the Constitution of the State of Texas, authorizing the issuance of bonds and levying of a tax to pay the interest and sinking fund on same for public improvements. Said resolution as introduced provided for amending two separate sections of the constitution, the committee decided to separate the amendments and report each favorably, and this report is on Section 49, Article 3, which the resolution seeks to amend so as to allow the issuance of bonds by the state for public improvements. On account of the present limitations in the constitution no bonds can be issued for this purpose and practically all of the state institutions have to depend on appropriations by the Legislature for permanent improvements. The legislature cannot make sufficient appropriations at any one time, without raising the tax rate to such an extent as to cause general dissatisfaction. If bonds are issued, much needed improvements can be made and the tax to pay the interest and create a sinking fund will not be felt. I earnestly hope this resolution will receive the approval of the Legislature.

CALVIN.

REQUEST CONTINUANCE OF PRESENT UNIVERSITY TAX-LEVY RATE

Extract From the Report of Walter E. Clark, President of the University of Nevada, for 1920

Unless there be heavy unforeseen emergency expenditures and unless there be appreciable lowering of the total state valuation assessable for taxation within the coming biennium, the University will be able to cover its general running expenses if it be granted the same tax rate which was granted by the legislature of 1919. It seems unlikely that the total assessable valuation of the state will be materially increased during either of the coming two years. If the same tax rate be granted to the university and if the assessable valuation is not materially increased, the university affairs will have to be managed with the most rigid economy in order that the university may report to the legislature of 1923 without deficit.

The retention of the tax-levy system as a means for raising most of the university revenue from the state is clearly preferable as contrasted with direct appropriations to cover all state grants to the university. The tax-levy system enables the university to transact its biennial business without a wretched gap of two months when no state funds would be definitely available. The tax-levy system makes it less likely that the university affairs will become entangled in the play of legislative politics. One of the surest ways to keep a state's university out of politics is to grant to the university regularly a tax-levy rate ample to secure to the university a sum sufficient to cover its general running expenses so far as these are met from state funds.

STATEMENTS BY VARIOUS STATE UNIVERSITIES AND COLLEGES

Collated by Miss Octavia Rogan, Legislative Librarian

The University of Nebraska.

The University of Nebraska is financed by biennial appropriations. It was supported by endowment income,

university cash, specific special appropriations and grants from congress, from its founding 1869 up to 1899. The legislature, 1899, enacted a one mill levy law for the benefit of the university. From time to time since then the state has made additional specific appropriations for lands and buildings and also for maintenance and for particular objects.

The legislature of 1921 repealed all mill levy laws of every nature, except the levy for the erection of a new capitol, and threw all items in the budget, except the capitol, into the general fund. This plan is new and we do not know what advantage the university or the normal schools will find in it.

The University of Minnesota.

The University of Minnesota is financed by biennial appropriations and a mill tax. The mill tax is subject to variation with every change in assessments, due to changes in law or valuations. We are fortunate this year in not being dependent upon mill levy. Reduction in valuations, and removal of automobiles from general property tax would have been serious if we were on millage basis. We are and should be answerable to the representatives of the people at each session of the legislation. Any institution that is not willing and able to submit to an accounting to the people is not entitled to further appropriations.

The University of Michigan.

The University of Michigan is financed by biennial appropriations and mill tax. The mill tax brings an annual revenue of three million dollars. We find this adequate, supplemented as it is at present by special appropriations for the Comprehensive Building Program. The last session of the legislature made $4,800,000 available for the extension of the physical plant. The mill tax gives an income which can be readily estimated. The university is at no time uncertain as to how much the legislature will actually grant. Also the mill tax increases with the taxable value of the state, which of course is one of the indications of a

growth in the state and consequent necessity for increase in the facilities of the Institution. The governing body of the University of Michigan is the Regents of the University of Michigan, a constitutional corporation. The people have direct control through their franchise in the election of the regents. The courts have decided that it is the duty of the legislature to provide funds to maintain the university; however, under certain circumstances, the legislature may direct how specific funds are to be spent. In these cases the people would of course have a double check.

The University of Kansas.

The University of Kansas is financed by biennial appropriations. We believe that in normal times it is better to have the mill tax arrangement whereby a stated tax will be used to provide for the higher education in the state, and will continue from year to year unless changed by vote of the legislature. I have never yet known a state institution to admit that it had adequate revenue. My own theory is that the legislature is the proper judge in a democracy as to what constitutes adequacy of revenue. It is the business of the institutions so to make their work function as to convince the state that they need the revenue which they ask for. An institution whose appropriation comes from the legislature which is elected on a partisan ticket, and whose board of administration is appointed by the governor who is also elected on a partisan ticket, cannot be free from political influence, but let it be clearly understood, however, that tax supported institutions cannot be free from political influence.

The University of Indiana.

The University of Indiana is financed by biennial appropriations and a mill tax. The mill tax enables the president and board of trustees to know approximately what the income will be for a long series of years. In that way they are able to make their plans with assurance that they can

be carried out. We have found our system very satisfactory in practice in every way. There would be many disadvantages in relying on specific appropriations.

The University of Kentucky.

The University of Kentucky is financed by biennial appropriations and a mill tax. The mill tax provides a steady income and avoids the necessity of calling on the Legislature at frequent intervals. It guarantees permanency of income; but it does not handle building programs when large sums are needed occasionally. In our case the income is small and we can not provide for a building program out of mill tax.

The University of Oregon.

The University of Oregon is financed by biennial appropriations and a mill tax. This is reasonably satisfactory, because more permanent in nature than legislative appropriation. But some method of providing for regular increase in income commensurate with increase in students and costs would be suggested as an improvement to this method. Mill tax income is practically stationary. It is more advantageous than biennial appropriations because more permanent in character, obviating the necessity for frequent appeal to Legislature, and making possible more definite plans for the future. The tendency of assessors to keep down assessed valuations keeps tax income stationary, instead of increasing with the growth of the university and increase of actual wealth of the state, as was expected when tax was instituted.

The University of Colorado.

The University of Colorado is financed by biennial appropriations and a mill tax. The great advantage of a mill tax is a definite income to work to; but mill tax is hard to get, consequently income is likely to be too small.

The University of North Dakota.

The University of North Dakota is financed by biennial appropriations. It has its "ups and downs." Some legislative assemblies give us fair treatment, others make appropriations that are inadequate. We have been trying to obtain a mill tax.

The State University of Montana.

The State University of Montana is finaced by biennial appropriations and by the mill tax. The mill tax would be satisfactory under normal conditions, but during the present biennial period the reduction of assessed valuation of the state brings us in an inadequate income. Mill tax has only been in operation during the present fiscal year, but certainly will afford us under normal and stable conditions a uniform and slightly increased income, to which may be added state approriations as necessary.

The University of Wyoming.

The University of Wyoming secures state support through a three-eighth mill tax for current expenses and a one-eighth mill tax for building purposes. We think we have a fairly good method. This relieves us from the necessity of going before each Legislature and asking for our appropriations.

University of Nevada.

This year, 1922, the University of Nevada begins a new plan—being wholly financed by mill tax, so far as state appropriations are concerned. We believe this better than the mixed mill tax and direct appropriations plan in effect the past seven years. It gives as great revenue as this state can at present fairly grant to its university. Under the plan income will proportionately increase as assessed property increases. We are just beginning the pure mill tax plan. We believe, first, it will minimize danger of political difficulty during legislative sessions; second, it will permit growth of university's income *pari passu* with growth of

state's assessable property; and third, it will enable the university to plan more definitely as to future developments. The seven years preceding we had partial mill tax—partial special appropriations. We preferred the mill tax and therefore asked for its adoption as the sole source of state revenue for the university. The only possible disadvantage we note for mill tax is, that, the state's total assessable valuation might be suddenly and possibly arbitrarily lowered. We should expect in such event to secure a grant of an increased rate for the university.

The University of South Carolina.

The University of South Carolina is financed by annual appropriations. The appropriations are inadequate. The university has no endowment or funds of any kind except annual appropriations and fees. We suggest for the improvement of our method of support: first, tax reform, and second, a mill tax supplemented by annual appropriations.

Miami University of Ohio.

The Miami University of Ohio is supported through biennial appropriation with a mill tax for building purposes.

We have not had a mill tax levy for some time. The great trouble with mill tax is that it is never adequate. The growth of the institution carries it beyond the funds provided by any tax levy. We do find the mill tax for a building fund exceedingly satisfactory. Under the old system money was appropriated for a building, often an inadequate amount, and we had to make a particular appeal for the need of a particular building. Last year the Legislature set aside a mill tax for a building fund for state institutions of higher learning each of which gets a certain per cent. This will give us $350,000 for the biennium for new buildings, and we are allowed to build such buildings as we seet fit, with the approval of the controlling board. The mill tax levy method of support unsupplemented by special appropriations unless exceedingly liberal, more liberal than one could reasonably expect to pass, will not in all probability keep up with the growth of the student body.

State Normal and Industrial School of North Dakota.

The State Normal and Industrial School of North Dakota is financed by biennial appropriations. Our method is unsatisfactory. We have to run gauntlet of appropriations committees of the Legislature every two years. A fixed millage or standing appropriation over a period of years would be an improvement. It produces enough to survive without allowance for expansion or growth. Legislative appropriation is supplemented by institutional collections yielding some $5,000 to $10,000 a year. The old mill tax in vogue up to 1915 yielded a fairly definite income, without the necessity of legislative action, but it is not as easy to get special appropriation for special needs when the mill tax plan is employed.

The mill tax plan is quite in favor with the heads of educational institutions in this state, but the Legislature has not deemed it best to go back to that method.

East Tennessee State Normal School.

The East Tennessee State Normal School is financed by biennial appropriations and by an appropriation of a fixed percentage of the total gross revenue of the state. Our operating appropriation comes from a fixed percentage of gross revenue. Our building program is cared for by legislative appropriation. A fixed percentage has advantages:

1. It gives a definite increasing budget.
2. It eliminates legislative lobbying.
3. It takes it out of politics.
4. It unites all institutions sharing in the percentages.

State Normal School, Oneonta, N. Y.

The State Normal School of Oneonta, N. Y., is financed by biennial appropriations. Our method is satisfactory.

The Oklahoma College for Women.

The Oklahoma College for Women is financed by biennial appropriations. We are forced to go to the state legislature every two years and spend much time for two or three months pleading for enough money to run our school. But

we never get enough. Over two hundred girls were turned away last fall because our institution did not have sufficient room. We asked for $145,000 annually for running expenses and got $118,750. There is no way to improve our method unless we can secure the method of the mill tax.

The Indiana State Normal School.

The Indiana State Normal School is financed by biennial appropriations. Our method is unsatisfactory. We never know, from biennium to biennium, where we are. We can make no plans until the legislature has adjourned. The objection to a mill tax is found in the fact that in times of economic depression, the mill tax returns may go down; and the increase in the millage tax is seldom large enough to keep pace with the growing needs of the educational institutions of a state.

The State Normal School, Troy, Alabama.

The Alabama State Normal School is financed by biennial appropriations. Our method is unsatisfactory. We are trying now to pursuade our people that a fixed percentage is the only correct way of supporting the higher institutions.

(1) It operates automatically.

(2) When the pro rata is acceptable to all units of a system, it avoids unseemly scrambles before the legislature by the different units, each trying to get more than the others or more than its share.

Michigan State Normal College.

The Michigan State Normal College is financed by biennial appropriations. Our system of biennial appropriations is not satisfactory, especially since we have the budget plan which makes appropriations for specific schedules. The reason is that some schedules get exhausted and others have favorable balances, but the funds cannot be transferred from one schedule to another without permission from the State Administrative Board.

The normal schools of Michigan are trying to get a mill

tax for all expenses except special appropriations for buildings, etc. Our reasons for thinking the mill tax advisable are as follows:

1. It saves the biennial thrashing over of old straw, or new so far as that is concerned, with the legislature.

2. As the valuation of the state increases the income would increase proportionately.

3. We have every reason to believe that the mill tax would come into the hands of the State Board of Education, to be handled according to its discretion.

Of course, if the mill tax should not be adequate we would be no better off; but if it should be of sufficient size, we should undoubtedly be better off. The University of Michigan and Michigan Agricultural College are on the mill tax basis, and their governing boards have full control of their funds.

The Northern Arizona Normal School.

The Northern Arizona Normal School is financed by biennial appropriations. Under our new law, compelling the Governor to submit a budget to the Legislature, we are very well taken care of.

The University of Arizona went to the mill tax basis, last winter; at that time, the normal schools had an offer to get in on the same plan, but we rejected it, and I think very wisely, because a special session of the Legislature is now necessary in order to enable the university to finish the year. At the end of the year, its income yielded under the mill tax will probably be sufficient to pay all expenses of the year, but due to the fact that it has no reserve fund, to the fact that the December taxes were ten per cent delinquent, and to the further fact that its building program concentrated its expenses in the first few months of the year, the university finds itself without money and without credit. The normal schools have been in better position, because while their funds have been exhausted state warrants have been issued which our banks will accept.

Central Michigan Normal School.

The Central Michigan Normal School is financed by biennial appropriations. We do not have, and have not had the mill tax. Our institution is run by appropriations made every two years by the State Legislature. We do not find this a satisfactory method for many reasons.

First: We have to convince the Legislature each year of our needs.

Second: The budget system is not elastic enough to take care of increased attendance, etc.

Third: We feel that politics is mixed up in the matter more than should be in educational institutions

The Iowa State Teachers College.

The Iowa State Teachers College is financed by biennial appropriations. We have had no experience with the mill tax, except for building purposes for ten years, but each amount appropriated needed to be acted upon by succeeding legislatures which approved plans of building purposes and amounts to be expended for each building.

State Teaching College, San Diego, California.

The California State Teaching College is financed by biennial appropriations. Our revenue is adequate for 1921 to 1923, but appropriations alone are uncertain. We would prefer combination of mill tax and biennial appropriations.

The Indiana State Normal School.

The Indiana State Normal School is financed by a mill tax. Our method is satisfactory. It gives definite income which is known in advance. The mill tax is the only method we have ever had.

The Arkansas State Normal School.

The Arkansas State Normal School is financed by biennial appropriations and a mill tax.

1. Our normal school gets by legislative action one-fifth

of one mill annually of state taxes for the support and maintenance of the institution. This is definite and the governing board can make its plans definitely.

2. Before this millage tax can be spent by the school, a biennial appropriation is made by the Legislature, as prepared and suggested by the governing board of the school. This gives the people who pay the taxes, through the Legislature, a chance to know for what purpose the money is being spent, and a chance to stop any misuse or diversion of funds.

3. Apparently the only improvement we could suggest would be an increase in millage so as to take care of growing institution.

4. Under our former method, our appropriations depended on the mood and will of the Legislature, and the amount appropriated depended largely on the activity of interested parties in getting the needs before the Legislature, which resulted in undue political influence.

State Normal School, Salem, Massachusetts.

The State Normal School of Salem, Massachusetts is financed by annual appropriations. Our method is unsatisfactory. We are subject to the whims as well as other conditions which influence a supervisor of administration, a Governor and a Legislature, annually. The disposition to secure a low rate of state tax often prevents a legitimate and wise investment in education.

The Colorado Agricultural College.

The Colorado Agricultural College is financed by biennial appropriations, a mill tax, and tax for buildings. Our method is very satisfactory, for we always know within a few dollars how much money we will have to spend for years in advance. The mill tax prevents us from having to go to the Legislature every session for money, and it also enables us to make plans for years ahead. It assists in keeping the institution out of politics, but it is not flexible enough to meet every need.

The Western Illinois State Teachers College.

The Western Illinois State Teachers College is financed by biennial appropriations. Our method is unsatisfactory, because we must depend each two years on the General Assembly for our support. Sometimes they are liberal and sometimes they are not. We never know what we are going to get. We ought to have some sort of millage tax because a permanent charge against the State ought to have a permanent support. We have had no experience with the millage tax in the normal schools in this state. The state university is so maintained and it is able to get a great deal better support than are the normal schools. The only disadvantage of the mill tax is that it fails to meet any emergency which may fall upon an institution unexpectedly. If a sufficient amount, however, is provided through the millage for new buildings a school can usually meet all emergencies in that respect unless burned out completely.

The Eastern South Dakota State Normal School.

The South Dakota State Normal School is financed by biennial appropriations. We must depend upon whatever the Legislature decides to give. A mill tax, if adequately apportioned, would be more satisfactory. We should then know what funds were to be available and could plan ahead for enlargements as funds became available. We have never tried the Mill tax. We are dependent entirely upon the attitude of the state legislature which meets every two years. There is a budget board which makes recommendations to the legislature as to the amount of appropriation in their judgment that should be made to each institution. The legislature is free to differ in this recommendation. The board of regents and the head of each institution recommends to the budget committee the amount that is needed for each institution.

The Spearfish Normal School.

The Spearfish Normal School is financed by biennial appropriations. Our method is not entirely satisfactory.

We are at the whim of any legislature which can cripple or destroy us if it chooses. We should like a mill tax for running expenses at least.

The Ellensburg (Washington) State Normal School.

The Ellensburg State Normal School is financed by biennial appropriations and a mill tax. Our method is satisfactory. The mill tax provides the funds annually and the biennial appropriation makes the fund available and at the same time leaves the control in the legislature. It gives stability and enables plans to be made extending a few years ahead—at least four years each mill tax period. It tends to lessen "political jockeying" and in the end contributes much more consistent results to the state due to conservative and constructive administration. The advantages greatly outweigh the disadvantages. With the interest fund to act as an equalizer to meet emergencies, the disadvantages are at a minimum.

The Montana State College.

The Montana State College is financed by biennial appropriations and a mill tax. The mill tax was passed in 1920 and is effective for the first time in 1921. We therefore are in no position to judge its permanent effectiveness. Our method provides for certain incomes from a mill tax but this is not large enough to provide suitable operating funds so we go to the Legislature for direct appropriations. As stated before, the mill tax plan is new and we therefore have no experience to record.

DATA IN REGARD TO 28 STATE-SUPPORTED COLLEGES AND UNIVERSITIES

By Department of the Interior, Bureau of Education

(George A. Zook, Specialist in Higher Education)

Name of Institution	1919-20*	Comparative Enrollments 1921-1922	
		October 15, 1921	Estimated Total for the Year
University of California.....	11,903	12,882	14,170
University of Colorado.....	1,927	2,366	2,700
Colorado Agricultural College	669	824	600

University of Illinois.....	7,935	8,984	9,400
Indiana University	3,783	2,808	3,700
State University of Iowa....	4,361	5,749	4,714
University of Kansas.....	3,477	3,661	4,102
Kansas State Agricultural College.....	2,560	2,391	2,600
University of Michigan.....	8,652	9,082	9,682
Michigan Agricultural College	1,425	1,619	1,650
University of Minnesota.....	10,369	7,637	9,900
Mississippi Agricultural and Mechanical College.....	1,169	1,350	1,450
Mississippi State College for Women.....	965	865	900
University of Nebraska.....	5,248	4,740	5,000
New Hampshire College of Agriculture and Mechanic Arts.....	817	865	920
University of North Carolina	1,437	1,600	1,700
North Carolina College of Agriculture and Engineering.	796	785	900
Ohio State University.....	7,151	7,600	8,000
University of Oklahoma.....	2,608	2,963	5,000
Oklahoma Agricultural and Mechanical College.	1,314	1,063	1,500
Oregon State Agricultural College.	3,442	3,140	3,500
University of Oregon.....	1,889	2,006	2,200
Pennsylvania State College..	3,294	3,130	3,200
University of Texas.....	4,418	4,462	4,700
Agricultural and Mechanical College of Texas.....	1,549	1,400	1,500
State College of Washington.	2,184	1,718	1,900
University of Washington....	5,520	4,442	5,200
University of Wisconsin.....	7,146	7,418	7,800

INCOME OF 28 STATE-SUPPORTED COLLEGES AND UNIVERSITIES FOR RESIDENT TEACHING

Institution	State	Federal Government	Students Fees	All Other Sources
University of California	$3,620,000	$ 50,000	$ 550,000	$1,205,408
University of Colorado.	380,000	.....	175,000	120,000

*The figures for this year were taken from the Bureau of Education Bulletin No. 48, 1920. They may not correspond exactly with those in the other two columns of this circular.

Colorado Agricultural College.	210,000	69,000	16,000	30,000
University of Illinois...	3,321,865	313,408	550,000	192,800
Indiana University.....	816,316	7,351	196,903	131,508
State University of Iowa	1,901,647	.....	.....	.....
University of Kansas..	1,000,500	900	200,000	112,000
Kansas State Agricultural College.	709,000	50,000	100,000	380,000
University of Michigan.	3,150,000	38,416	964,100	1,729,250
Michigan Agricultural College.	1,000,000	120,000	150,000	200,000
University of Minnesota	2,845,460	95,750	562,000	369,000
Mississippi Agricultural College.	259,000	22,200	23,000	.....
Mississippi State College for Women.	142,681	4,125	606,880	.....
University of Nebraska.	1,620,300	55,500	200,000	450,000
New Hampshire College of Agriculture and Mechanic Arts.	282,401	663,625	60,000	73,017
University of North Carolina.	900,000	.....	131,204	.....
North Carolina College of Agriculture and Engineering.	275,000	41,000	375,000	.....
Ohio State University..	1,809,224	50,000	350,000	1,000,000
University of Oklahoma	843,252	.....	150,000	.....
Oklahoma Agricultural and Mechanical College.	465,250	45,000	5,500	85,000
Oregon State Agricultural College.	980,053	71,500	45,000	.....
University of Oregon...	847,340	.....	54,000	17,700
Pennsylvania State College.	853,000	113,000	270,000	.....
University of Texas....	1,297,000	8,000	115,000	210,000
Agricultural and Mechanical College of Texas.	730,134	37,500	71,500	264,000
State College of Washington.	613,982	50,000	46,100	40,220
University of Washington.	973,504	.....	77,916	35,000
University of Wisconsin	2,958,185	50,000	611,895	440,425

DATA IN REGARD TO SALARIES OF PROFESSORS AND ASSOCIATE PROFESSORS

Name of Institution	Professors			Associate Professors		
	Maximum	Mimimum	Average	Maximum	Minimum	Average
University of California	$7,000.00	$3,000.00	$4,641.00	$4,400.00	$3,000.00	$3,405.00
University of Colorado	3,800.00	2,500.00	3,150.00	2,950.00	2,400.00	2,675.00
Colorado Agricultural College	4,000.00	2,600.00	3,300.00	3,033.00	2,300.00	2,665.00
University of Illinois	7,000.00	3,000.00	4,918.00	4,500.00	3,000.00	3,761.00
Indiana University	4,400.00	2,800.00	3,600.00	4,000.00	2,600.00	3,300.00
State University of Iowa	5,500.00	2,750.00	4,011.00	4,000.00	2,750.00	3,307.00
University of Kansas	6,500.00	2,160.00	3,400.00	2,800.00	2,040.00	2,600.00
Kansas State Agricultural College	5,000.00	2,500.00	3,443.39	3,650.00	2,000.00	2,550.00
University of Michigan	7,500.00	2,000.00	5,025.00	3,900.00	3,500.00	3,700.00
Michigan Agricultural College	5,500.00	3,500.00	4,664.00	4,200.00	2,800.00	3,362.00
University of Minnesota	.....	4,000.00	4,456.00	.....	3,300.00	3,394.00
Mississippi Agricultural and Mechanical Col.	3,300.00	.....	.....	2,400.00	.....	.....
Mississippi State College for Women	3,000.00	2,000.00	2,550.00	.....	.....	.....
University of Nebraska	5,000.00	2,200.00	3,786.00	3,600.00	2,000.00	2,842.00
New Hampshire College of Agriculture and Mechanic Arts	3,600.00	2,800.00	3,316.00	2,900.00	2,700.00	2,800.00
University of North Carolina	4,500.00	3,750.00	4,250.00	3,600.00	3,000.00	3,400.00
North Carolina College of Agriculture and Engineering	.....	.....	3,600.00	.....	.....	2,750.00
Ohia State University	5,000.00	3,000.00	4,250.00	2,500.00	.....	2,500.00
University of Oklahoma	4,400.00	3,600.00	4,000.00	3,400.00	2,800.00	3,100.00
Oklahoma Agricultural and Mechanical Col.	3,550.00	2,400.00	3,250.00	3,500.00	2,000.00	2,575.00
Oregon State Agricultural College	5,000.00	2,800.00	3,524.00	3,800.00	2,200.00	2,920.00
University of Oregon	4,000.00	2,400.00	3,170.00	3,400.00	3,000.00	3,133.33
Pennsylvania State College	4,500.00	2,500.00	3,400.00	3,250.00	1,800.00	2,600.00
University of Texas	4,400.00	3,800.00	4,100.00	3,400.00	3,000.00	3,200.00
Agricultural and Mechanical College of Texas	4,360.00	3,610.00	3,960.00	3,360.00	2,760.00	3,110.00
State College of Washington	4,500.00	2,700.00	3,373.00	3,300.00	2,400.00	2,876.00
[illegible]	4,500.00	3,000.00	3,887.00	3,500.00	2,600.00	3,148.00

PROPERTY AND INCOME OF 29 STATE UNIVERSITIES

By the Department of the Interior, Bureau of Education

Name of Institution	Value of Buildings	Total Working Income	Mill Tax Rate	Receipts from Mill Tax
University of California	$11,506,932	$5,844,464	.....	.....
University of Colorado..	1,110,000	647,225	2/5	$ 500,000
Colorado Agricultural College.	755,000	766,196	1/5	122,059
University of Illinois...	4,866,749	3,916,249	2/3	2,535,000
Indiana University	1,392,481	927,205	28/100	638,127
State University of Iowa	3,179,223	2,378,839	.....	.....
University of Kansas..	2,395,000	1,149,409	.....	.....
Kansas State Agricultural College	1,078,684	1,604,646	.....	.....
Michigan Agricultural College.	1,300,000	1,443,426	1/5	593,578
University of Michigan	6,249,502	3,875,735	3/8	1,818,750
University of Minnesota	6,319,776	4,408,436	23/100	590,851
Mississippi Agricultural & Mechanical College	860,895	899,652	.....	.....
Mississippi State College for Women	530,500	175,461	.....	.....
University of Nebraska	2,653,139	2,395,856	1	848,095
New Hampshire College of Agriculture and Mechanic Arts	950,000	461,709	.....	.....
University of North Carolina.	987,990	470,687	.....	.....
North Carolina College of Agriculture and Engineering.	699,995	790,082	.....	.....
Ohio State University..	3,177,293	2,622,924	.....	.....
University of Oklahoma	1,218,754	942,096	.....	.....
Oklahoma Agricultural and Mechanical College.	1,282,453	.....	.....	.....
Oregon State Agricultural College.	1,227,712	1,130,320	4/10	198,087
University of Oregon..	1,111,871	1,077,511	3/10	297,130
Pennsylvania State College.	1,975,386	1,622,781	.....	.....
University of Texas...	1,582,810	1,436,809	.....	.....

Agricultural and Mechanical College of Texas.	2,098,929	1,876,516	.....	.....
College of Industrial Arts (Texas)	858,528	445,209	.....	.....
State College of Washington.	1,455,294	1,227,973	(6)	450,332
University of Washington.	1,212,514	1,479,034	(7)	903,731
University of Wisconsin	5,102,637	3,483,640	3/8	1,525,600

THE TEACHING FORCE IN 29 STATE UNIVERSITIES AND STATE COLLEGES FOR THE YEAR 1919-20

By the Department of the Interior, Bureau of Education

Names of Institutions	Professors and Instructors		
	Men	Women	Total
University of California.....	739	189	928
University of Colorado.....	205	29	234
Colorado Agricultural College.....	56	21	77
University of Illinois.....	822	126	948
Indiana University	169	28	197
State University of Iowa.....	206	57	263
University of Kansas.....	247	64	311
Kansas State Agricultural College....	151	69	220
University of Michigan.....	449	5	454
Michigan Agricultural College.....	145	26	171
University of Minnesota.....	712	102	814
Mississippi Agricultural and Mechanical College.	103	9	112
Mississippi State College for Women..	6	60	66
University of Nebraska.....	268	70	338
New Hampshire College of Agriculture and Engineering.....	56	11	67
University of North Carolina.....	112	18	130
North Carolina College of Agriculture and Engineering.	64	20	84
Ohio State University.....	46	27	73
University of Oklahoma.....	160	20	180
Oklahoma Agricultural and Mechanical College.	102	35	137
Oregon State Agricultural College...	163	49	212
University of Oregon.....	120	36	156

Pennsylvania State College	185	26	211
University of Texas	234	48	282
Agricultural and Mechanical College of Texas	132	...	132
College of Industrial Arts (Texas)	20	84	104
State College of Washington	127	38	165
University of Washington	188	37	225
University of Wisconsin	460	92	552

Rank of the states in which the universities and colleges shown in the previous tables are located, according to population, 1920 Census.

Pennsylvania	8,720,017
Illinois	6,485,280
Ohio	5,759,394
Texas	4,663,228
Michigan	3,668,412
California	3,426,861
Indiana	2,930,390
Wisconsin	2,632,067
North Carolina	2,559,123
Iowa	2,404,021
Minnesota	2,387,125
Oklahoma	2,028,283
Mississippi	1,790,618
Kansas	1,769,257
Washington	1,356,621
Nebraska	1,296,372
Colorado	939,629
Oregon	783,389
New Hampshire	443,082

A MILL TAX FOR THE HIGHER EDUCATIONAL INSTITUTIONS

PREPARED BY DR. E. T. MILLER

Advantages Claimed for a Mill Tax.

1. Steadiness of income. Does away with uncertainty.
2. Will increase with the wealth of the state, and will thereby be a guarantee of *minimum* support.
3. Permits planning for the future, and will therefore result in more economical and efficient administration.
4. Does away with the annual or biennial struggle with the Legislature and the Executive for support.
5. Institution will be less in politics.

Disadvantages Claimed for a Mill Tax.

1. Inadequate by itself.
2. Possible failure of revenue to grow in proportion to the growth of the needs of the institutions. Assessed values may decrease, as they did in Texas in 1922.
3. Possibility of a change in the tax system; for example, the substitution of an income tax for the tax on personal property, or the adoption of a classified property tax, or the adoption of separation of sources of state and local revenues.
4. Difficulty of meeting emergencies.
5. Necessity of going to the Legislature for extra needs, thus making necessary the annual or biennial struggle.
6. In case the proceeds of the tax are subject to appropriation by the Legislature, there is the recurrent struggle.
7. In case there is one levy for all of the higher educational institutions, there is the possibility of a scramble among the institutions and a struggle with the Legislature or with the board which makes the apportionment.
8. Without a state board of equalization of assessed tax values and without a modernized tax system a mill tax simply aggravates the existing inequalities and injustices.

State	University Rate	A. and M. and Normal Rates	Proceeds of Tax 1919-1920	Per cent ta. Proceeds of State Support	Date of Adoption
1. Arizona.....	1 mill, 1922 1.3 mill, 1923 1 mill, sub.	.....	.....	.....	1921
2. Arkansas.....	4/9 mill (4.44 cents on the $100)	1/9 for the three agricultural schools 1/9 Normal 1/9 Medical 1/9 Negro	$230,000 University	90	1917
3. Colorado.....	.1618 mill (1.618 cents on the $100)	.0813 normal .03035 Normal .0813 Agri. .0502 Mines	$500,000 University (old rate 2/5) $311,982 Agriculture (old rate 1/5) $122,059 Mines (old rate 1/5)	100 75 89	1920
4. Illinois.....	2/3 mill (6⅔ cents on $100)	.....	$2,535,000	88	1911
5. Indiana.....	2 cents on the $100	2 cents Purdue 1 cent Normal	$638,127 University* $564,523 Purdue*	90 76	1883
6. Kentucky.....	1¾ cents on the $100	⅝ of 1 cent for each normal	$371,000 University (old rate 1/20 mill)	87	New prov. 1918
7. Louisiana.....	½ mill after January 1, 1925	.....	.....	.....	1921
8. Michigan.....	3/8 mill (3¾ cents on the $100)	1/5 mill for Agri.	$1,818,750 University $593,578 Agriculture	77 75	1867
9. Minnesota.....	23/100 mill (23 cents on $1000)	.....	$590,851	20	.....
10. Montana.....	1½ mills for all		.....	.....	1920

*Old rate.

State	University Rate	A. and M. and Normal Rates	Proceeds of Tax 1919-1920	Per cent tax Proceeds of State Support	Date of Adoption
11. Nebraska	⅛ mill (1¼ cents on the $100)	.....	$848,095	55	1869
12. Nevada	12 cents, 1921 13 cents, 1922	.....	$150,619 (old rate 4/5 mill)	60	
13. North Dakota	See bibliography				
14. Ohio	125/1000 mill	See bibliography			New
15. Oregon	.8143 mill	1.0857 mill for Agri.	$297,130 University (old rate 3/10)	30	
		.1 mill for Normal	$198,087 Agri. (old rate 4/10)	23	1920
16. Tennessee	½ mill (5 cents on the $100)	.....	$273,000	100	1917
17. Utah	28 per cent of general tax levy for all. Of proceeds 64.43 per cent to University 28.34 per cent to Agriculture 7.23 per cent to Agriculture		$371,642 University $128,275 Agri.	44 43	1911
18. Washington	1.1 mill (11 cents on the $100)	67 mill Agri. .20 mill Normal 159 mill Normal .12 mill Normal	$903,731 University (old rate 47½/100) $450,822 Agri. (old rate 32½/100)	78 65	c.1912
19. Wisconsin	3/8 mill (3¾ cents on the $100)	1/6 mills Normals	$1,525,600	79	1876
20. Wyoming	4/8 mill	.....	$190,858	93	1897

Iowa abandoned the mill tax in 1906. Had it for buildings, 1896-1906.
Ohio abandoned the mill tax in 1920, but adopted it in 1921 for four years for buildings.
A mill tax for the University of California was defeated by popular vote in 1920.

of the operation of the general property tax. All mill tax states have state boards of equalization. Texas has no such board.

9. If adequate and not specifically appropriated by the Legislature, the institutions may be less responsive to state needs and sentiment.

10. If inadequate by itself and subject to supplementary and specific appropriations, no advantage over the wholly-appropriation method.

BIBLIOGRAPHY AND ADDITIONAL DATA

Arizona. Session Laws, 1921, p. 159. Proceeds are available without further appropriation. Proceeds may be used for maintenance and construction. Normals were offered the mill tax method of support but refused it.

Arkansas. Acts of 1917, Vol. 1, p. 631. Acts of 1919, p. 32. The total of one and one-ninth mills is deducted from the general revenue rate. Proceeds are subject to appropriation by the Legislature.

Colorado. Constitutional amendment adopted November 2, 1920. Session Laws, 1921, pp. 179, 591, 647, 649, 694, 794, and 16. Its levy is within the discretion of the General Assembly. The General Assembly specifies the rate for each institution.

Illinois. Rev. Stats. 1917, Ch. 120, Arts. 400 and 401. Laws of Illinois, 1921, p. 149. In 1911 the rate was fixed at one mill. It was reduced to two-thirds mill in 1919. Large additional appropriations.

Indiana. Burns' Annotated Indiana Statutes. Revision of 1914, Vol. 3, p. 459. Acts, 1913, Ch. 182. In 1883 a rate of one-half of one cent was levied for thirteen years. In 1895 changed to one-sixth of one mill. In 1903 changed to two and three-fourths cents. A total of seven cents is levied for the state educational institutions. A law of 1919 provides that if there is an increase in the valuation of property, the tax levy shall be proportionately reduced. This automatically lowered the educational levy from seven cents to two and eight-tenths cents. Emergency conditions in 1920 led to an addition of one cent to the levy. In 1921 the tax was changed to five cents, Indiana University to receive two-fifths of the proceeds, Purdue, two-fifths, and Indiana State Normal, one-fifth. The Legislature apportions the levy. Purpose or use not restricted.

Kentucky. Special tax for A. and M. goes back to 1880. Later the University and the A. and M. consolidated. Acts, 1918, p. 12.

Available without further appropriation. Use not restricted. It is a segregated part of the general state rate.

Louisiana. Constitution, 1921, p. 96.

Michigan. Compiled Laws of Michigan, 1915, Vol. 1, p. 642. Practice goes back to 1867. Tax was made one mill in 1893. Was changed to three-eights mill in 1907. Available without further appropriation. No restriction as to use. Large additional appropriations.

Minnesota. General Statutes, 1913, Arts. 2915 and 3024, Sec. 2. Laws, 1919, Ch. 289, and Laws, 1921, p. 608, levy a tax sufficient to provide $560,000 a year for the year 1921 and each succeeding seven years for a "University Building Fund." This is additional to the other mill tax. Available without further appropriation.

Montana. Revised Code, 1921, Art. 2148.

Nebraska. Revised Stats., 1913, Art. 7102. Subject to appropriation.

Nevada. Statutes, 1920-21, p. 226. Beginning in 1921-22 the University is to be wholly supported from the mill tax. Law specifies that not less than two cents shall be set aside for buildings. Constitution Art. 11, Sec. 6, provides for a tax not in excess of two mills for support and maintenance of university and common schools.

North Dakota. Compiled Laws, 1913, Vol. 2, p. 340. There is a tax of one mill levied for the university, school of mines, the agricultural college, the normal schools, the school for the deaf and dumb, and two other institutions.

Ohio. Laws of Ohio, 1921. For the years 1921-1922 and 1922-1923 there shall be levied a tax of 125/1000 of one mill for the purpose of providing a building fund for Ohio State University, Ohio University, and Miami University. Of the fund, 14 per cent goes to Ohio University, 14 per cent to Miami University and the remainder (72 per cent) to Ohio State University.

Oregon. Laws, 1920, Arts. 5427, 5428, 5443, 5466. Available without further appropriation. Until 1920 University had three-tenths mill, the Agricultural College, four-tenths mill and the Normal, one-twenty-fifth mill. In an election in May, 1920, the people voted a 6 per cent increase in the amount of taxes levied each year over the preceding year.

Tennessee. Public Acts, 1921, p. 48. Proceeds go first to meeting interest on the $1,000,000 bond issue for buildings. Any surplus beyond specifications in the act may be used for maintenance.

Utah. Compiled Laws, 1917, Art. 5214.

Washington. Laws, 1920-1921, p. 528. Changes in the rates to be reported on by the joint board of higher curricula in the report next preceding the convening of the Legislature in 1925. Washington is the only state which makes orderly provision for possible periodical change.

Wisconsin. Statutes, 1913, Secs. 390, 406a. Subject to specific appropriation by the Legislature.

Wyoming. Compiled Statutes, 1920, Arts. 482, 2939. Available without further appropriation. The four-eighths mill is divided into one-eight for buildings and permanent improvements and three-eighths for maintenance.

The rates given in the second and third columns of the tables are presumably the current rates. In column four certain rates are given in parenthesis, and these are the old rates and the ones in effect for the proceeds given in column four.

The data in column four were obtained from Statistics of State Universities and State Colleges, for the year ending June 30, 1920, Bulletin, 1920, No. 48, Bureau of Education, Department of Interior.

ADDENDUM

The recent publication by the United States Bureau of Education of the statistics of state universities and state colleges for the year ended June 30, 1921, makes it possible to present the latest statistical material bearing on the mill tax published by the federal government.

Institution	Mill Rate	Proceeds of Tax	State Appropriation Current Expenses	State Appropriation Buildings, etc.
University of Arizona	4/9	$ 296,500.00	$ 79,223.00	.....
University of Colorado	37/100	560,500.00	.....	.....
Colorado Agricultural College	22/000	325,807.00	108,673.00	.....
Colorado School of Mines	8/100	115,862.00	.....	.....
University of Illinois	2/3	2,515,253.00	11,500.00	.....
Indiana University	28/100	637,196.00	114,112.00	.....
University of Kentucky	1/20	365,987.00	80,000.00	$105,000.00
University of Michigan	3/8	2,193,750.00	.....	825,000.00
Michigan Agricultural College	1/5	1,085,000.00[a]	.....	.....
University of Minnesota	23/100	401,524.00	2,535,179.00	719,795.00
University of Nebraska	1	856,297.00	600,629.00	193,955.00
University of Nevada	4/5	156,118.00	9,919.00	.....
Oregon State Agricultural College	4/10	1,244,183.00	224,949.00	.....
University of Oregon	3/10	847,540.00	838,894.00	113,269.00
Clemson Agricultural College (South Carolina)	.....	167,505.00	185,481.00	.....
University of Tennessee	1/2	214,880.00	77,862.00	.....
University of Utah	[b]	318,050.00	24,861.00	.....
State College of Washington	[c]	364,543.00	353,834.00	174,179.00
University of Washington	[d]	972,779.00	112,802.00	538,644.00
University of Wisconsin	3/8	1,714,011.00	500,160.00	327,374.00
University of Wyoming	1/2	202,639.00	75,063.00	150,058.00

a. Includes $150,00 unexpended in 1920.
b. See preceding table.
c. Less than ½ of one mill.
d. Less than ⅔ of one mill.

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